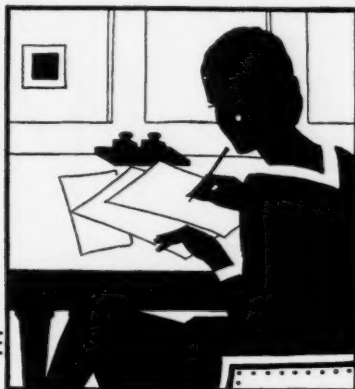


The National Underwriter

A WEEKLY NEWSPAPER OF INSURANCE

THURSDAY, FEBRUARY 16, 1933



THE most carefully balanced family budget can be unbalanced, wrecked in fact, by the costs of an accident—hospital, surgeon's and nurses' fees.

On the other hand, such costs can be definitely fixed at a low yearly amount through accident insurance. The balance can be preserved.

Now there are policies especially designed for wives, as well as husbands.

The policies drawn up in cooperation with the Department of Family Finance of the General Federation of Women's Clubs are good contracts. They cover all forms of accidents, everywhere—those in the home as well as those on the highway.

The oldest and largest accident company—The Travelers—is a good company to represent.

T H E T R A V E L E R S

THE TRAVELERS INSURANCE COMPANY

THE TRAVELERS INDEMNITY COMPANY

THE TRAVELERS FIRE INSURANCE COMPANY

HARTFORD

CONNECTICUT

SINCE 1864 The Travelers has paid over a billion dollars in policy benefits under accident,

life, fire, burglary and the many other forms of insurance contracts issued by the three companies.

"WOLF!

WOLF!"

TOO long have certain business interests cried "Wolf." In a desperate effort to twist sales curves upward, they have under-rated their public. False promises, wild sales schemes, cheapened products . . .

What they overlook is that a changed economic scene has not changed the desires of people. They still want to be amused, live well and enjoy themselves. Their desire for fine clothes, jewelry, automobiles is as great as ever. They still want success and independence, comfort and security. But having less, they have learned to spend

with greater wisdom. Naturally, they have turned to concerns they know and in which they have confidence.

A good name and a good reputation — that is what counts. In this respect the value to agents of *old line stock companies* that have withstood the tests of wars, conflagrations and panics, companies that have earned the good will of insurance buyers everywhere, is inestimable. Agents and brokers know that a good company name — good because it is backed by performance — is one of the most important factors in making and keeping satisfied and loyal customers.



ÆTNA INSURANCE COMPANY

HARTFORD - CONNECTICUT

FIRE AND CASUALTY COMPANIES**A T T E N T I O N !**

Unpaid premiums + ninety days = unadmitted assets

WHAT amount was not included in surplus for this reason in your annual statement for December 31, 1932?

You want those overdue premiums. We can collect them for you speedily, efficiently and at a very low cost. Unpaid premiums soon become paid premiums when our system is used. They are PAID TO YOU DIRECT.

Let us tell you how this has been accomplished by us for other companies.

BROKERAGE OFFICES

How much time is spent trying to collect your accounts due when you would rather be soliciting new business? Our plan enables you to get those overdue premiums paid to YOUR OWN OFFICE WITHOUT involving you in our efficient collection methods, and the cost of this service is low.

Investigate Our Plan

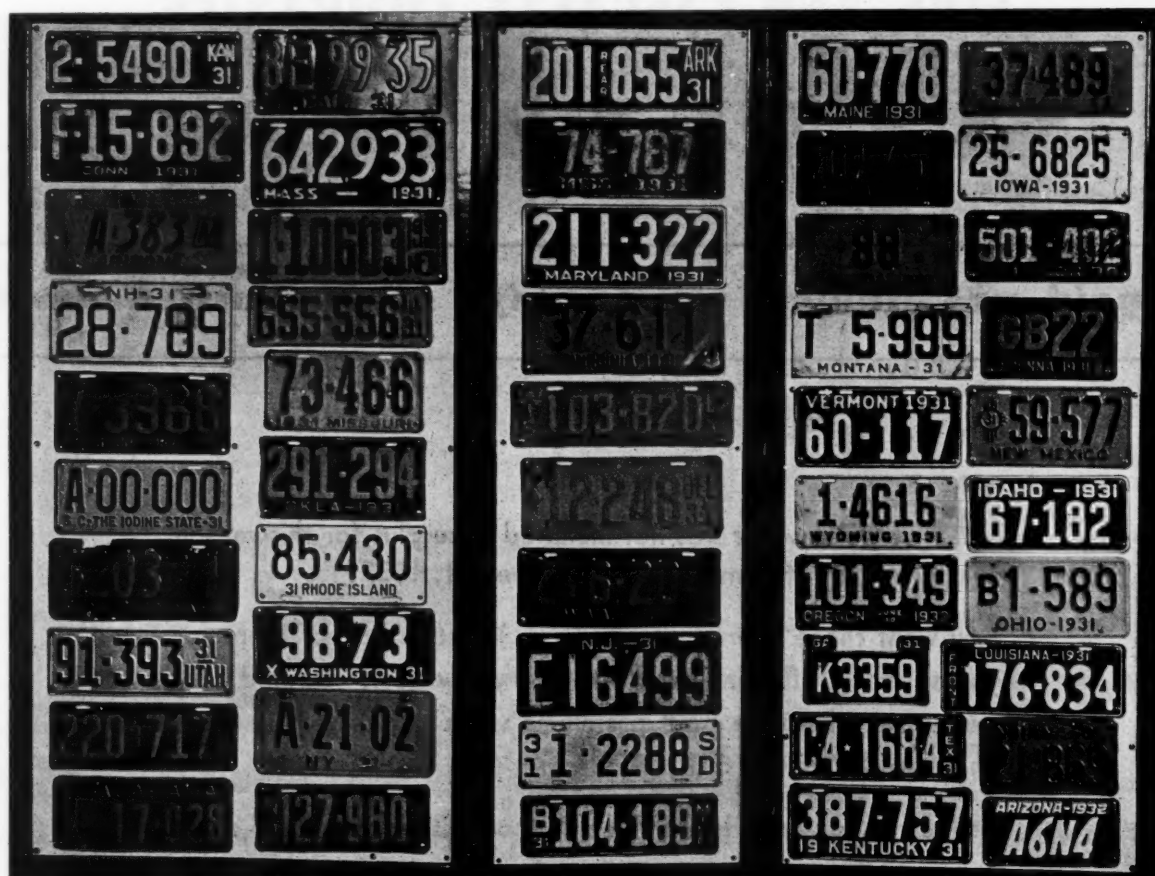
It will interest you and save time, money and trouble. References furnished.

INDUSTRIAL CREDIT ASSOCIATION

Telephone Rector 2-4237

302 Broadway

New York



Courtesy of Fischer Insurance Agency, Hanover, Pa.

Every one of these plates formerly identified a car that was covered under an Automobile Insurance Policy in the HARTFORD ACCIDENT AND INDEMNITY CO.

HERE IS PROOF THAT WHEREVER YOU GO YOU WILL FIND HARTFORD SERVICE

*Claim Representatives in Every State, in Canada and in
Foreign Countries*

The National Underwriter

Thirty-Seventh Year—No. 7

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, THURSDAY, FEBRUARY 16, 1933

\$4.00 Per Year, 20 Cents a Copy

Garfield W. Brown Made President

Minnesota Official Heads National Convention of Insurance Commissioners

BONEY GETS NEXT PLACE

A. D. DuLaney of Arkansas Was Elected Second Vice-President of the Organization

ST. LOUIS, Feb. 15.—Garfield W. Brown of Minnesota was elevated to the presidency of the National Convention of Insurance Commissioners at a meeting of the executive committee held here. Other officers named are: Dan C. Boney, North Carolina, first vice-president, and A. D. DuLaney, Arkansas, second vice-president. Jess G. Read of Oklahoma continues as secretary-treasurer and J. B. Thompson, Missouri, chairman of the Executive Committee.

New members of the executive committee are E. F. Mitchell of California and M. L. Brown, Massachusetts. Hold-over members are G. S. Van Schaick, New York; S. A. Olsness, North Dakota; R. C. Clark, Vermont; Theodore Thulemeyer, Wyoming, and John C. Kidd, Indiana.

Those Attending the Meeting

Messrs. Brown, Boney, Read, Thompson, Kidd and DuLaney attended the gathering. Other state officials in attendance were Commissioner E. W. Clark of Iowa, L. H. Kreiter, deputy superintendent of insurance for Ohio; R. A. Brennan, deputy superintendent in charge of liquidation for New York; S. R. Feller, chief deputy superintendent for New York, and H. C. Spencer, counsel for the liquidation bureau New York Insurance Department.

The resignation of W. A. Tarver of Texas as president of the National Convention was received by the committee and accepted with regret. He retired from his official position Feb. 10. H. O. Fishback of Washington, a member of the executive committee, has also retired from the insurance department of his home state and so is no longer a member of the committee.

Tentative plans for the next annual meeting of the National Convention to be held at the Edgewater Beach Hotel, Chicago, June 1-3, were discussed and it was decided to permit President Brown and Secretary Read work out the details.

Plans for the Meeting

It was decided the June program will include a paper relating to the depository law or qualifying bond. Twenty-three states are now considering legislation on this subject in connection with public liability and workmen's compensation coverage. The matter has become more acute due to the developments in con-

Cigarette Claims Are Now Rejected by Big Company

NEW YORK, Feb. 15.—Companies in steadily increasing number now are refusing to recognize loss claims resulting from the careless dropping or throwing of lighted cigar or cigarette stubs upon rugs or upholstery, unless fires of any considerable size ensue. So well has the move been regarded that the prediction is that the practice will become an established one throughout the country before long.

The initiative was taken by an important office here which, after studying the great increase in claims of this character in recent years, decided that the time was opportune for launching the prohibition. Naturally the management was concerned as to the effect this would have on agency business production and hence is highly gratified at the reception. Agency after agency expressed entire approval of the rule and commended the office for its courage.

Leading Agents' Opinion

Several leading local agents state that so unjust did they regard claims of this type that they consistently discouraged clients from presenting them. Claims caused through carelessly tossed lighted cigars or cigarettes increased so heavily when women became addicted to cigarette smoking several years ago, that company officials became much exercised and discussed means for meeting the situation, though without reaching any conclusions as to a course of action.

Many losses of this nature, it is pointed out, occur in homes where the term premium on the furnishings is more than wiped out by a single claim. Payment of a loss too often has been followed by a second claim of like character within a short time, the assured finding how easy it was to collect and

becoming "claim minded."

In addition to paying for the loss, companies had to meet the expense of adjustment; so that the aggregate cost frequently was considerably in excess of the entire premium received. To such extent was this the case that some offices seriously entertained the idea of cutting out the coverage of household effects altogether.

Street Criticized Practice

When C. R. Street, vice-president and western manager of the Great American Fire group was president of the Western Underwriters Association some years ago, in the course of his annual address he dwelt at some length upon the heavy aggregate losses suffered by the companies through cigarette claims, since which time company managers in other sections of the country have paid serious attention to the problem.

The almost universal present habit of smoking by both men and women in hotels, clubs and residences has created an additional fire hazard not contemplated in existing rates, and the opinion is becoming widespread among managers that loss claims resulting therefrom should be frowned upon; or, if the hazard be assumed, an additional charge be made for it.

While many of these claims are for small amounts, ranging from \$10 to \$100 each, occasionally demand is made for a considerable sum, when the slightly burned rug or divan proves to be an expensive one, and the owner insists upon entire replacement.

The courage of the office taking the initiative in declining to admit trivial loss claims of this character is generally commended and in all probability will become an established practice in the fire field.

nection with the Union Indemnity failure and similar situations elsewhere.

Another to be included in the program will be "How Insurance Departments Can Co-operate in Reducing Company Expenses," while the question of assessment associations will also be up for discussion.

The important committee on interlocking directorates or holding company control of insurance companies also held an executive session late to discuss various phases of the report that is to be drafted by the committee. Commissioners Brown and Thompson were present. Commissioner Olsness of North Dakota, the third member, could not attend.

Will Attend the Exposition

The executive committee voted to accept an invitation from the American Mutual Alliance to be its guests at the opening of the Chicago Century of Progress Exposition the afternoon and evening of June 1. This will be the only entertainment feature in connection with the Chicago meeting, it was decided. The St. Louis chamber of commerce put in a bid for the 1934 annual meeting.

Other men prominent in the insurance world who were in St. Louis in connection with the gathering were: L. H. Wolf, actuary, New York City; C. W. Hobbs, National Council on Compensation Insurance; C. W. Fairchild, Casualty Executives Association; J. A. Beha, National Bureau of Casualty & Surety Underwriters; H. P. Hammond, actuary Travelers; J. A. Hartigan, St. Paul, Equitable Life of New York; W. C.

(CONTINUED ON PAGE 25)

Clint Lasher Has Prize Claim Story This Week

C. D. Lasher of Chicago, general manager of the Home of New York group, tells the prize story this week about a strange claim. The Home had an automobile policy with a tornado endorsement. The owner had a light car. It seems that according to the claim made under the tornado coverage, a heavy car passed the other with such great speed that the light car was blown off the road and injured. Hence, the tornado claim.

Michigan Holiday Affects Insurance

Most Home Companies Operate With Out-of-State Funds

MEETING OBLIGATIONS

Insurance Representatives Call on Their Principals for Currency—8-Day Bank Moratorium Serious

DETROIT, Feb. 15.—The consensus in Michigan insurance circles is that the 8-day bank moratorium made mandatory by Governor Comstock in a proclamation issued at 1:32 a. m. Feb. 14 will be annoying but will not seriously interfere with the normal operation of companies and agencies in the state. Under the provisions of the moratorium, all banks, trust companies and other financial institutions doing business in Michigan "shall not be open for the transaction of banking or trust business."

The life general agents and managers held a hurried conference in the morning and issued the following statement: "The Associated Life General Agents and Managers of Detroit, representing the life insurance companies operating in Michigan, announces that their companies will meet the present situation resulting from Governor Comstock's proclamation respecting banks by such routine adjustments of their general practice as may be necessary to serve the policyholders with the least inconvenience."

Strength of Insurance

"A consolidated annual statement of the business as of Dec. 31, 1932, emphasizes the strength of the institution of life insurance. In the years 1930, '31 and '32 the income of the life insurance companies exceeded 15 billions, which was more than 2½ times the amount needed to meet all demands. Last year, the public purchased \$14,700,000,000 new life insurance, a significant expression of confidence."

The statement was signed by a committee consisting of Charles A. Macaulay, state agent, John Hancock Mutual; W. O. Baldwin, inspector of agencies, New York Life, and Robert M. Ryan, Detroit manager, Equitable of New York.

The life insurance companies domiciled in Detroit anticipate little difficulty over the moratorium. All will continue to meet their various obligations as in the past, mostly out of funds on deposit in banks outside of the state. The American Life is meeting all obligations out of outstate funds and has notified policyholders that no policies will be lapsed during the moratorium.

The Detroit Life is awaiting advice of counsel and in the meantime is drawing on funds deposited outside of Michigan.

(CONTINUED ON PAGE 27)

Former Commissioner Under Arrest for Alleged Larceny

JOSEPH I. REECE INVOLVED

Tennessee Official Charged With Stealing \$100,000 Bonds From the State Department

NASHVILLE, TENN., Feb. 15.—A plea of not guilty was made by J. I. Reece, at a preliminary hearing before Squire F. M. Besa.

"No statement until later. When I make one it will ring," declared Mr. Reece when he stepped from a Washington train in Nashville. Warrants were served immediately and after his plea of not guilty he was bound over to the Davidson county grand jury which is now in session in Nashville. The grand jury is now in session and the cases are expected to be placed before that body within the regular course of business in the next two days.

NASHVILLE, TENN., Feb. 15.—Considerable commotion was caused in Tennessee when it became known that a warrant had been issued for the arrest of former Insurance Commissioner Joseph I. Reece, on charge of larceny of \$100,000 of bonds and fraudulent breach of trust. Mr. Reece was at Washington, D. C., and an officer was sent there from here armed with a requisition signed by Governor McAlister, following arrest of Mr. Reece in the capital city. Assistant Attorney General Tipton accompanied the officer.

Reece Denies Charges

Warrants charging Mr. Reece and his brother, Lem, with larceny and conspiracy to commit larceny were issued on instruction of the attorney general. The chief of detectives at Washington stated that about \$1,160 was found in Mr. Reece's pockets when he was arrested and some \$20,000 located in the safety deposit box in a Washington, D. C., bank. Attorney G. L. Evans, who represents Mr. Reece at Nashville, stated that he had had a telephonic conversation with the former commissioner and he planned to return without fighting extradition. Attorney Evans said that Mr. Reece denied charges made against him. Mr. Reece was appointed commissioner by former Governor Horton, who suddenly removed A. S. Caldwell from office to make room for Mr. Reece. His brother, B. Carroll Reece, was elected Republican congressman from the first Tennessee district at the last election. Lem Reece is an attorney at Elizabethton, Tenn.

Bonds Sold in New York

Counselor General Gardenhire stated that \$90,000 of the bonds reported missing from the blue sky division of the insurance department had been sold to a New York bank on Feb. 3. The bonds had been deposited with the blue sky division as bailee by the Fidelity Investment Association of Wheeling, W. Va. J. I. Reece is former dean of Carson-Newman college of Jefferson City, Tenn. The new insurance commissioner, J. S. Tobin, reported to the governor that \$100,000 discrepancy had been discovered in the blue sky division and the governor immediately ordered an audit. Judge Gardenhire said the missing securities were those of the Arkansas Light & Power and other negotiable utility bonds, worth at the present market price about \$75,000.

Reece's Property Attached

Commissioner Reece became a stormy petrel in his office, making charges of all kinds against different companies and assuming a sort of swashbuckling air.

Directly after he was bound over to the grand jury Mr. Reece appeared before Judge Hart, who fixed his bond at \$20,000. On the day of his arrival in Nashville, the state on the relation of the Fidelity Investment Association secured a court fiat for a writ of attach-

Mortensen Won't Put Out "Actual Value" Figures

MADISON, WIS., Feb. 15.—Commissioner Mortensen indicated that he is "not ambitious to disclose the financial condition of companies on the actual market valuation basis," when asked whether any publicity would be given to statements of companies to the Wisconsin department. The department requires the use of Dec. 31, 1932, values, rather than convention basis.

While these statements are open to inspection as public records in the insurance department, under the state law, the department will not send out such reports.

Many requests have been received from other states for the records of companies on Wisconsin valuation requirements, but the commissioner says all of these have been refused.

Receiver Is Appointed for United Business Publishers

NEW YORK, Feb. 15.—Receivers were appointed last week for the United Business Publishers, a holding company owning control of a number of the prominent trade journals, among them the "Spectator," "Dry Goods Economist," "Hardware World," "Boot & Shoe Recorder" and the so-called Chilton and Hart publications. The bill of complaint was filed by the Federal Printing Company, claiming it was a creditor in the amount of \$177,379.

Subsidiaries to Continue

A. L. Davis of New York, counsel for the United Business Publishers, announced that appointment of receivers was a step necessary to be taken in working out plans for readjustment of the company's financial situation. He said the appointment of A. C. Pearson, chairman of the board, as one of the receivers indicated the operation of subsidiaries would be continued without interruption.

In recent months the "Spectator" has been printed at Philadelphia in the plant of the Chilton Company, instead of New York.

ment on Mr. Reece's property, including real estate and money in banks and bonds. The attachment was also on the property of Lem Reece, brother of the former commissioner, charged with conspiring to commit an indictable offense. Lem Reece has not yet been apprehended.

Collection Rule of Chicago Board Explained by Glidden

YAGER ON SERVICE CHARGE

Organization Officials Appear Before Field Club in Talks on Mandatory Legislation

Explanation of the \$1 service charge made mandatory by the Chicago Board was given by L. E. Yager, president, and information on the collection and delinquent balance plan of the board by Manager J. S. Glidden, at the meeting of the Cook County Field Club Monday.

Manager Glidden said board officials believe the problem is no different in insurance than in other business. It is not a question of rules, by-laws or fines, but of administration and cooperation between organizations, companies and producers. Good business concerns have taught clients bills must be paid, and if board members would conduct their business likewise there would be practically no balance problem.

Strength Is Weakest Link

He made the point that the standard of credit practices may be set by even one company; if one in an agency affords long credit, all the others must follow suit.

Mr. Glidden stated that the board will call upon and expect the insurance department to help in reducing this evil, not as a collection agency, but taking the position that under the qualification law, if a broker or agent deliberately defaults on earned premiums due companies then the state should see that he does not continue in the business. Mr. Glidden said if an agent or broker is trying to do right, he should be given opportunity to work out of the hole.

The program, which already has been started, calls for reports from class 1 members covering the last two years, showing those members behind in balances four months or more. Tabulation of results shows that in Chicago Board territory there are 1,100 members operating on this basis, of whom 500 are six months or more behind in balances.

The board is starting with the worst offenders, blanks having been sent out to class 1 members and companies listing these names and asking for detailed statements of accounts, to be made in triplicate, one copy for the supervising office and two for the board. The Chicago Board has asked that there be shown all premiums unpaid for four months or more. The plan then is to call on members for a statement as to

(CONTINUED ON PAGE 25)

Set March 10 for Answers in New Missouri Rate Suit

JEFFERSON CITY, MO., Feb. 15.—The fire companies have until March 10 to file answer to the quo warranto proceedings instituted in the Missouri supreme court by the attorney general, charging that the companies have violated their charter and license privileges by continuing to charge a 16 2/3 percent increase in rates, although Superintendent Thompson rejected their application for the higher rate.

The supreme court has taken no action as yet on the companion action by the attorney general for a writ of prohibition to restrain Judge Sevier of the circuit court here from enforcing that portion of an order of his court which permits the companies participating in rate litigation before that court to continue to charge the 16 2/3 percent increase pending the outcome of the suit, and impounding such excess premiums.

Superintendent Thompson has turned over to the clerk of the circuit court \$932,305 impounded premiums as directed by Judge Sevier, to be held until the rate litigation is terminated.

Tobacco Contract Amended

The companies transacting a tobacco hail business in Indiana, Ohio, Kentucky, Tennessee and Missouri have amended their agents' tobacco collateral contract to provide that if an agent settles his note account with the company on or before Jan. 31 of the succeeding year, he may still receive a discount of 2 1/2 percent. Formerly the dead line was Dec. 15. The additional time will give the agent a better opportunity to realize the notes given him by his customers. These notes mature Dec. 1, but since the tobacco market is open from Dec. 5-9 and then closes until Jan. 1, the agents often have difficulty in collecting.

Home Fire & Marine Figures

Total premium income in 1932 of \$2,066,000, a shrinkage of less than 10 percent from the previous year, with an underwriting gain of \$65,000 on the year's operations were reported by President Levison at the annual meeting of the Home Fire & Marine. It shows assets \$5,450,000 against \$5,860,000 a year ago; policyholders' surplus, \$2,538,000, against \$2,739,000; unearned premium reserve, \$2,249,000, against \$2,485,000. President Levison reported investments are 84 percent bonds and 16 percent stock, exclusive of stock in affiliated companies.

North River's Statement

The North River in its annual statement shows assets \$21,507,671, capital \$2,000,000, policyholders' surplus \$6,385,287, reserve for unearned premium \$6,888,926, contingency reserve \$6,602,751.

Rating Organization Elects

New members of the executive committee of the New York Fire Insurance Rating Organization elected at its annual meeting are: W. J. Reynolds, American Equitable; O. E. Lane, Fire Association; A. R. Phillips, Great American; C. F. Shallercross, North British & Mercantile; and K. E. Greene, Glen Cove Mutual. The committee re-elected W. F. Dooley, Continental, chairman, and J. C. Stoddard, New York Underwriters, vice-chairman.

Plan for Indiana Field

Following the transfer of Ray H. Guttstetter of the Phoenix of Hartford group in Indiana to Tennessee, where he will be state agent, the Indiana field will be looked after by State Agent G. J. Daseke and Special Agent E. H. Richardson without additional assistance.

THE WEEK IN INSURANCE

Insurance Commissioner G. W. Brown of Minnesota has been elected president of the National Convention of Insurance Commissioners. Page 3

Insurance people in Michigan are adjusting their operations to the bank moratorium in that state. Page 3

Rule of eastern office prohibiting recovery on small cigarette and cigar losses approved by leading agents; expected to become general practice before long. Page 3

Collection rule and \$1 policy service charge of Chicago Board explained to Cook County Field Club by President Yager and Manager Glidden of organization. Page 4

Michigan Association of Insurance Agents gathers for semi-annual meeting. Page 5

Former Insurance Commissioner J. I. Reece of Tennessee has been arrested being charged with larceny of \$100,000 in bonds by the blue sky division of the Tennessee department. Page 4

Superintendent Van Schaeck of New York would prohibit writing of mortgage guaranty bonds. Page 30

Premiums from aviation insurance show an increase of 16 1/2 percent so far during January. Page 13

P. H. Rogers reelected chairman at annual meeting of Bureau of Personal Accident & Health Underwriters. Page 20

Agents are scrutinizing casualty and surety companies far more carefully than ever before owing to the failure of the Union Indemnity. Page 31

George H. Moloney of Chicago, western manager of the Hartford Accident, has been elected vice-president. Page 30

San Francisco Accident & Health Club holds its first sales congress, with notable program and large attendance. Page 30

Movement is on foot to organize a \$10,020,000 corporation to assist in refinancing maturing guaranteed mortgage bonds. Page 29

Revised occupational disease program and rating method sent out by National Council to be effective Feb. 28 in non-regulated states. Page 29

Commissioner C. D. Livingston of Michigan is elected president of the Lloyds of America. Page 29

Michigan Agents Meet at Lansing

Attendance Limited and Sessions Disturbed by Governor's Bank Moratorium

RESOLUTION OF SUPPORT

Locals Pledge Aid to Companies, Take Other Action at Mid-year Association Gathering

LANSING, MICH., Feb. 15.—Closing of all Michigan banks and financial institutions for eight days under a moratorium proclamation issued by Gov. W. A. Comstock reduced attendance at the mid-year meeting of the Michigan Association of Insurance Agents and so disturbed the 80 or more agents attending that it was difficult to carry out the program planned.

Considerable business was dispatched, however, committee reports were heard and a significant resolution of support of the companies in these critical times was passed. The resolution stated:

Text of Resolution

"Fully appreciative of the serious issues imposed upon all business during these trying times and particularly appreciative of the outstanding record of the insurance companies in meeting the various situations presented, the Michigan Association of Insurance Agents, in convention assembled, pledges to the companies its continued support and co-operation in maintaining that record and in solving all present and future problems."

Authorization of immediate steps by the governing committee to consider a plan for automatic cancellation of policies for non-payment of premium and for organization of a company-owned finance company were highlights of the meeting. The credit situation, it was pointed out, is still bad and is likely to grow no better in view of conditions in the state.

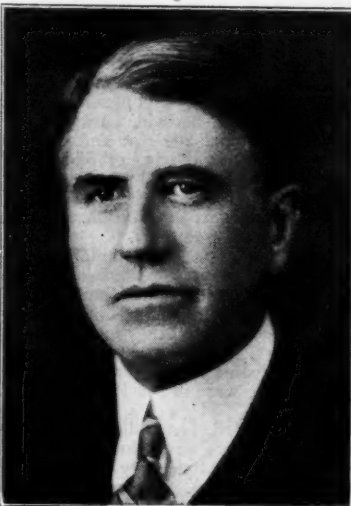
To Oppose Two Bills

Legislative matters were discussed at length and two pieces of adverse legislation will be opposed, it was agreed. One is the Doyle bill to remove safeguards from the guest passenger act and reopen the way to "friendly suits," which penalize companies and, indirectly, all automobile insurance buyers. The other is the provision in the administration-supported sales tax and gross income bill which would levy a 3 percent tax on gross commissions of agencies and on the premiums of companies domiciled here. Sen. L. G. Karwick, Detroit, and Rep. Henry Howlett, Gregory, chairmen of the senate and house insurance committees, and several committee members attended the luncheon session but expressed no opinions on legislation so far presented. The agents will feel out sentiment for an agents' qualification law under whose terms the commissioner would be required to examine all license applications but could issue temporary permits to applicants pending examination. A \$5 licensing fee would be imposed, thus making the act self-financing.

Vote Confidence in Carter

George Carter, president Detroit Insurance Agency and chairman state conference committee, and Kenneth Watkins, chairman legislative committee, reported. Mr. Carter, who has been the target for some criticism in company

Insurance Commissioner to Head Lloyds, America



C. D. LIVINGSTON

C. D. Livingston, insurance commissioner of Michigan, and former president of the National Convention of Insurance Commissioners, has been elected president of Lloyds of America.

Boston Premiums for Last Six Months of 1932 Shown

Fire and sprinkler leakage premiums reported to the Boston protective department for the last six months of 1932 amounted to \$2,889,309, as compared with \$3,101,097 for the corresponding period of 1931. Premiums for the entire year of 1932 were \$6,112,145, as compared with \$6,732,368 in 1931.

The following table shows the premiums of leaders in the last half of 1932 and 1931.

	1932	1931
Royal	\$78,435	\$66,096
Home	75,371	86,399
National	66,104	59,232
Hartford	65,797	56,032
Continental	55,405	56,755
Pennsylvania	55,184	62,583
Boston	46,543	56,977
North America	45,237	47,851
Commonwealth	44,433	22,927
Aetna	43,731	54,635
L. & L. G.	42,219	50,789
Scottish Union	38,679	32,752
Niagara	38,096	43,584
Great American	37,772	41,404
Queen	37,554	45,930
Employers	32,089	41,104
Travelers Und.	31,318	31,133

Fire Premiums in 1932 by Lines

Travelers Fire		Aetna	
Premiums	Losses	Premiums	Losses
Fire	\$6,609,651	\$13,007,951	\$8,295,951
Motor Vehicle	1,643,818	659,107	329
Earthquake	10,485	10,485	927,070
Inland Marine	408,517	180,638	1,578
Tornado-Windstorm	368,142	72,715	714,390
Hail	19,258	15,306	405,284
Sprinkler Leakage	27,474	2,279	72,300
Riot and Explosion	45,181	10,717	8,433
Aircraft	406	225	9,386
Other Lines	14,621	10,601	17,214
American, N. J.		World F. & M.	
Fire	\$10,132,354	\$5,823,071	\$882,565
Ocean Marine	378,645	189,384	\$566,340
Motor Vehicle	800,517	412,260	74,095
Earthquake	14,155	14,155	48,738
Inland Marine	453,632	272,599	1,198
Windstorm	901,557	267,309	60,278
Hail	51,072	11,116	47,362
Sprinkler	20,667	9,061	7,793
Riot & Explosion	42,075	2,772	23,345
Aircraft	1,174	183	5,626
Other Lines	14,621	10,601	2,011
North America		Norwich Union Fire	
Fire	\$13,597,862	\$7,385,026	\$2,469,711
Ocean Marine	2,117,478	1,166,985	\$1,260,783
Motor Vehicle	1,450,534	724,122	125,034
Earthquake	21,780	21,780	66,826
Inland Marine	2,547,151	1,300,158	14,424
Tornado-Windstorm	757,880	198,548	60,278
Hail, Rain & Flood	118,344	51,434	47,362
Sprinkler Leakage	51,434	24,341	23,345
Riot & Explosion	211,372	29,459	5,626
Aircraft & Auto P. D.	10,857	1,840	2,011
Philadelphia F. & M.		Camden Fire	
Fire	\$915,242	\$454,129	\$3,373,529
Ocean Marine	96,249	53,045	64,515
Motor Vehicle	93,562	44,365	391,794
Earthquake	3,361	3,361	6,826
Inland Marine	115,781	59,098	14,424
Tornado-Windstorm	12,409	4,329	347,539
Hail	7,396	1,521	183,629
Sprinkler Leakage	3,214	1,841	8,321
Riot and Explosion	13,211	1,14	7,933
Aircraft	678	114	9,642
Alliance, Pa.		Citizens, N. J.	
Fire	\$1,385,932	\$847,172	\$297,327
Ocean Marine	144,373	79,567	61,128
Motor Vehicle	156,797	83,429	7,709
Earthquake	2,450	2,450	197
Inland Marine	173,671	88,647	2,513
Windstorm	85,261	22,336	10,500
Hail, Rain & Flood	13,313	7,791	3,069
Sprinkler Leakage	5,786	2,738	934
Riot & Explosion	23,779	3,314	1,193
Aircraft & Auto P. D.	1,221	206	209
Hartford Fire		Eagle Fire, N. Y.	
Fire	\$25,817,799	\$15,591,164	\$370,208
Ocean Marine	447,985	229,267	14,283
Motor Vehicle	2,230,446	1,157,802	1,109
Earthquake	22,974	22,974	22,971
Inland Marine	1,171,962	496,003	75
Windstorm	2,510,834	759,788	335
Hail	432,438	285,231	229
Sprinkler	80,482	22,718	282
Riot & Explosion	113,011	20,769	239
Aircraft	48,351	34,199	229
Other Lines	39,391	26,863	829
Reliable, O.		Baltimore National	
Fire	\$247,429	\$105,844	\$3,671
Tornado-Windstorm	2,568	633	5,958
Sprinkler Leakage	506	393	4,555
Riot and Explosion	899	46	457
Other Lines	377	73	
New Zealand		Louisville Fire & Marine	
Fire	\$337,127	\$173,400	\$16,003
Ocean Marine	62,425	49,626	6,792
Earthquake	2,387	2,387	7,525
Inland Marine	6,337	4,316	
Tornado-Windstorm	212	107	

(CONTINUED ON PAGE 25)

FIGURES FROM DECEMBER 31, 1932, STATEMENTS

FIRE COMPANIES

Assets		Change in Assets		Reins. Res.		Capital		Surplus		Change in Surplus		Losses Paid		Net Premiums		Loss Ratio		Security Fluc. Res.	
Aetna	\$19,686,423	-4,272,699	18,460,826	-2,676,498	7,500,000	14,303,299	-126,405	10,457,453	17,630,295	59.3	5,893,053	1,135,204	1,994,244	56.9	1,080,041				
Alliance, Pa.	8,606,351	-671,266	2,540,940	-458,062	1,000,000	3,283,634	329,703	1,135,204	1,994,244	56.9	1,080,041	1,135,204	1,994,244	56.9	1,080,041				
Amer. Drugists, O.	2,129,122	-28,878	2,540,940	-458,062	1,000,000	3,283,634	329,703	1,135,204	1,994,244	56.9	1,080,041	1,135,204	1,994,244	56.9	1,080,041				
American, N. J.	30,150,895	-1,471,360	13,459,659	-1,006	3,347,740	4,325,172	-1,748,866	7,388,870	12,811,471	57.6	5,000,000	1,135,204	1,994,244	56.9	1,080,041				
Baltimore Natl.	143,500	5,858	12,197	-1,871	105,000	20,963	2,849	18,870	384,841	49.1		1,135,204	1,994,244	56.9	1,080,041				
Bankers, N. C.	349,125	7,224	4,510,065	-505,328	2,000,000	2,118,093	-540,085	2,627,568	4,387,545	59.8	2,694,138	1,135,204	1,994,244	56.9	1,080,041				
Camden, N. J.	12,387,977	-619,436	1,152,773	-201,869	1,000,000	740,454	-85,685	410,741	854,183	48.0	554,060	1,135,204	1,994,244	56.9	1,080,041				
Central Fire, Md.	3,650,698	-153,112	346,113	-9,139	1,000,000	1,088,449	20,963	188,921	384,841	49.1		1,135,204	1,994,244	56.9	1,080,041				
Citizens, N. J.	2,819,696	-240,744	462,199	-20,640	1,000,000	590,055	23,902	199,374	104,325	48.5	284,069	1,135,204	1,994,244	56.9	1,080,041				
Eagle, N. Y.	2,427,832	-79,437	724,000	28,575		1,511,188	-65,467	345,556	691,805	49.4	272,416	1,135,204	1,994,244	56.9	1,080,041				
Farmers, Pa.	7,749,000	53,156	32,869,538	-2,571,339	12,000,000	22,642,682	1,613,681	18,623,906	32,975,672	56.6	10,600,000	1,135,204	1,994,244	56.9	1,080,041				
Hartford Fire	85,463,410	-5,554,070	272,494	-43,132	200,000	251,006	-152,544	64,844	157,488	41.0	100,000	1,135,204	1,994,244	56.9	1,080,041				
Illinois Fire	84,968	-97,628	22,134,067	-4,056,976	12,000,000	28,674,891	629,959	10,899,740	20,844,724	52.0	13,313,536	1,135,204	1,994,244	56.9	1,080,041				
North America	85,356,368	-4,878,572	2,043,355	-16,245		2,354,519	-70,358	1,169,112	2,646,385	41.6	800,000	1,135,204	1,994,244	56.9	1,080,041				
Millers Natl.	5,217,412	-229,678	102,306	129		289,075	61,282	9,549	61,635	15.5		1,135,204	1,994,244	56.9	1,080,041				
Natl. Union, D. C.	499,169	-61,081	431,521	-40,048	400,000	667,745	-214,254	228,310	408,935	56.0		1,135,204	1,994,244	56.9	1,080,041				
New Zealand	1,689,164	254,441	2,298,441	-318,172		1,860,648	264,554	1,433,850	2,399,714	49.4	681,697	1,135,204	1,994,244	56.9	1,080,041				
Norwich Union	6,518,635	-528,554	66,332	-154,889	500,000	554,761	16,052	138,078	176,475	78.0		1,135,204	1,994,244	56.9	1,080,041				
Old Dominion	1,139,665	-158,848	153,340	-73,384	200,000	230,122	-2,510	101,533	306,194	33.1	100,000	1,135,204	1,994,244	56.9	1,080,041				
Pa. Indem. Fire	705,590	2,832	115,046	-437	200,000	354,427	-39,099	98,038	119,058	82.3		1,135,204	1,994,244	56.9	1,080,041				
Petersburg	680,134	-44,266	1,353,903	-137,727	1,000,000	1,453,542	-1,646	630,852	1,294,063	48.7	536,246	1,135,204	1,994,244	56.9	1,080,041				
Philadelphia F. & M.	4,842,567	-107,629	142,271	-187,646	100,000	251,006	-1,564	88,171	28,603		59,805	1,135,204	1,994,244	56.9	1,080,041				
Preferred Risk	856,297	-360,184	334,137	-21,609	250,000	738,081	10,674	196,989	251,663	42.5		1,135,204	1,994,244	56.9	1,080,041				
Reliable, O.	1,374,423	-106,282	134,075	-18,012	200,000	602,058	120,189	73,754	114,699	64.0		1,135,204	1,994,244	56.9	1,080,041				
South British	952,519	102,454	1,111,191	-122,393	1,000,000	1,902,871	161,762	680,408	1,099,697	61.8	138,024	1,135,204	1,994,244	56.9	1,080,041				
World F. & M.	4,400,914	7,631																	

*\$100,000 placed in special reserve.

(CONTINUED ON PAGE 27)

Sharp Decline in Business Was Witnessed in January

GETTING ON BEDROCK BASIS

Much of the Drop Was Caused by Elimination of Situations Producing Free Insurance

A sharp decline in business in January as compared with December was experienced by most companies. In some offices, the decrease was reported to be as high as 25 percent.

The reason seems to be the measures that were taken by agents and companies after the first of the year to get on a bedrock basis. Agents cut loose assureds who have been imposing upon the agents or who were in a hopeless financial jam. Companies likewise cut loose from agents and cancellations of policies were general. Although the drop in premiums was sharp in January, the decline was probably more apparent than real. That is, much of the decline was represented by the elimination of free insurance of one kind and another. It may have appeared to have been strong medicine, but companies and agents are probably better off because of it. They are starting to build in 1933 on a stronger basis.

Agency Reorganizations

Companies are on the lookout these days because of the reorganization of agencies that is taking place. Some incorporated agencies that are in a bad jam are being wound up and the principals are starting up anew. Some unincorporated agencies that got in trouble are incorporating. Sometimes these moves are abetted by field men. For instance, in the case of a partnership, the field men might feel that one of the partners was responsible for the trouble and might be willing to go along with

the other partner if he should separate. However, this does not always work out. One company, for instance, made such an arrangement five months ago and its affairs are now as badly involved in connection with the partner, who was regarded as more competent, as they were with the old firm.

Requests for agency connections come from men or organizations, who upon investigation, are found to be old timers in the business attempting to cancel debts and start up under a new guise.

Another Bad Situation

Another bad situation that is encountered is where an agent liquidates his balance with one company in his agency by cancelling that company's policies flat and replacing them with the policies of another company. In a very few agencies such a move has been instigated by the field men of the company to which the agent owed a large balance. In most of the cases where this has developed the agent has done it on his own initiative.

Companies are on the alert to guard against this situation by investigating when an exceptional number of daily reports come through.

In the west, where a new balance rule is now in effect, one of the theoretical objections to the rule seemingly is being dissipated. That objection was that the company, which took early action and suspended an agency, might be unjustly penalized because of the inverse ratio of payment of balances clause. Under that clause the balances longest outstanding are the last to be liquidated, under a trusteeship.

Now that the rule is in effect companies which heretofore might have been disposed to have taken independent action and suspended an agent, are now forcing the issue and making the situation a committee matter.

John B. Althoff, local agent of Effingham, Ill., died recently at the age of about 55.

Examples of Success in Explosion Solicitation

Specific examples of successful solicitation of riot, strike, civil commotion and explosion coverage were cited by Claude D. Minor, superintendent of the Royal-Liverpool group, in a talk before the Pittsburgh sales congress recently. In Waco, Tex., he said, an agent in 12 months has sold 200 riot and explosion policies for \$7,000 in premiums. An agent in a town of 5,000 population made 18 calls and sold 11 such policies for \$600 in premiums in addition to picking up some fire premiums.

The Ohio state office building explosion some time ago stimulated greatly the sale of explosion insurance, Mr. Minor said. Explosions are usually mysterious and often are reported in the newspapers. There were 40 explosions in Pennsylvania in the last three months, ten of which were in the Pittsburgh area, he said.

The standard fire policy, he pointed out, only covers fire which follows explosion, and then only the damage caused by the fire. Explosion offers the greatest avenue for production that exists today, he said.

Thiemeyer Heads Western Sprinkler Leakage Group

H. R. Thiemeyer, field superintendent for the North America, was elected chairman of the Western Sprinkler Leakage Conference at the annual meeting. The vice-chairman is E. J. Hepp, Springfield; secretary P. J. Doyle, Western Actuarial Bureau. The executive committee is composed of W. G. Martin, America Fore; James Smith, Firemen's; B. T. Holderman, New York Underwriters.

In 1931, 154 companies reported their experience figures in the west to the

Western Actuarial Bureau, showing premium volume \$501,434 and losses \$198,950, producing loss ratio of 39.68 percent. This compares with the report of 150 companies in 1930 of \$667,293 premiums and \$374,425 losses or a loss ratio of 56.11 percent.

Mr. Holderman, Mr. Hepp and Mr. Martin were appointed a committee to make recommendations as to the future of the central audit bureau, which audits all sprinkler leakage daily reports, endorsements, etc., for all states in the west except Wisconsin. The report was made that an assessment would be necessary to permit the central audit bureau to continue. There has not been an assessment for this purpose since 1930. The alternative would be to turn the auditing work over to the audit bureaus having jurisdiction in the various states.

Gives Notice of Intention to Resign from I. M. U. A.

NEW YORK, Feb. 15.—The National Union of Pittsburgh has given notice of intention to resign from the Inland Marine Underwriters Association. Sixty days must elapse, after notice is given, before the resignation becomes effective. In the meantime, the National Union has an opportunity to reconsider.

American Field Roundup

Western Manager Robe Bird of the American of New Jersey group will have a meeting of the field men in his department next week at Rockford, Ill. Vice-President Paul Sommers and probably President Bailey from the home office will be present as well as President H. P. Jackson of the Bankers Indemnity.

Morgan Cowperthwaite of the New York City insurance brokerage firm of Fox & Pier, died at his Far Hills, N. J., home Feb. 9, following four days' illness.

1841

1933



Annual Statement, January 1, 1933

ASSETS

Bonds (U. S., Municipal, R. R., etc.).....	\$ 3,299,977.95
Stocks (Bank, R. R., Public Utility, etc.)....	5,870,001.28
Loans on Real Estate (1st Mortgage).....	832,950.00
Real Estate	635,098.95
Cash in Banks and Office.....	208,707.49
Premiums in Course of Collection.....	533,626.80
Accrued Interest, etc.....	203,002.54

\$11,583,365.01

LIABILITIES

Reserve for Unearned Premiums.....	\$ 4,387,415.42
Reserve for Unadjusted Losses.....	656,286.15
Reserve for Taxes and All Other Liabilities..	259,420.29
*CONTINGENCY RESERVE	2,195,366.62
CAPITAL	2,000,000.00
NET SURPLUS	2,084,876.53

\$11,583,365.01

Surplus to Policy Holders, \$4,084,876.53

VICTOR ROTH, President.

W. A. THOMSON, Secretary.

*The Contingency Reserve adjusts the values of Securities owned to Actual Market quotations as of December 31, 1932.



Annual Statement, January 1, 1933

ASSETS

Bonds (U. S., Municipal, R. R., etc.).....	\$1,563,690.00
Stocks (Bank, R. R., Public Utilities, etc.)..	1,038,262.00
Loans on Real Estate (1st Mortgage).....	240,793.34
Cash in Banks and Office.....	119,820.91
Premiums in Course of Collection.....	128,601.39
Accrued Interest, etc.....	38,034.32

\$3,129,201.96

LIABILITIES

Reserve for Unearned Premiums.....	\$ 540,896.64
Reserve for Unadjusted Losses.....	51,107.63
Reserve for Taxes and All Other Liabilities...	44,603.48
*CONTINGENCY RESERVE	676,380.75
CAPITAL	1,000,000.00
NET SURPLUS	816,213.46

\$3,129,201.96

Surplus to Policy Holders, \$1,816,213.46

VICTOR ROTH, President.

W. A. THOMSON, Secretary.

*The Contingency Reserve adjusts the values of Securities owned to Actual Market quotations as of December 31, 1932.

THE EUREKA - SECURITY FIRE & MARINE INSURANCE COMPANY

22 Garfield Place

Established 1864

Cincinnati, Ohio

SIXTY-NINTH ANNUAL STATEMENT JANUARY 1, 1933

ASSETS

Cash in Banks and Office.....	\$ 156,592.81
United States Government Bonds....	363,768.75
Federal Farm Loan Bonds, State, Territorial, Municipal, Railroad, Utility, and Misc. Bonds.....	1,293,125.00
National Bank and other Stocks.....	1,353,132.33
Mortgage Loans on Real Estate.....	20,896.84
Premiums in Course of Collection.....	355,929.77
Interest Due and Accrued.....	22,757.96
Real Estate	275,567.22
Reinsurance Recoverable on Paid Losses	6,050.43

TOTAL ASSETS\$3,847,821.11

LIABILITIES

Capital Stock	\$1,000,000.00
Reinsurance Reserve	1,662,888.18
Contingency Reserve	300,000.00
Reserve for Losses, Taxes and all other Liabilities	450,879.91
NET SURPLUS	434,053.02

TOTAL LIABILITIES\$3,847,821.11

Surplus to Policyholders.....\$1,434,053.02

Losses paid since organization..... 9,272,312.72

Valuations of Securities by National Convention of Insurance Commissioners

INVESTMENTS AS OF DECEMBER 31, 1932

	Market Value	Percentage
REAL ESTATE	\$ 275,567.22	8.33
BONDS:		
United States Government.....	363,768.75	11.00
Federal Land Bank.....	338,960.00	10.25
State, Municipal and Territorial..	441,330.00	13.35
Railroad	72,875.00	2.20
Public Utility	77,910.00	2.36
Industrial and Miscellaneous.....	362,050.00	10.95
PREFERRED STOCKS:		
Railroad	4,200.00	.13
Public Utility	36,300.00	1.10
Industrial and Miscellaneous.....	679,554.00	20.55

	Market Value	Percentage
COMMON STOCKS:		
Railroad		
Public Utility	\$ 15,854.00	.48
Banks	438,795.00	13.28
Industrial and Miscellaneous.....	178,229.33	5.39
MORTGAGE LOANS	20,896.84	.63
TOTAL INVESTMENTS	\$3,306,290.14	100.00

SUMMARY:

	Market Value	Percentage
Real Estate	\$ 275,567.22	8.33
Bonds	1,656,893.75	50.11
Preferred Stocks	720,054.00	21.78
Common Stocks	632,878.33	19.15
Mortgage Loans	20,896.84	.63
TOTAL	\$3,306,290.14	100.00

Receiver for Ramey Agency, New Lineup Is Announced

INDIANAPOLIS, Feb. 15.—W. P. Ray was appointed receiver Tuesday for the G. L. Ramey Agency, which has been operating since last August under a committee of company representatives, with Mr. Ray as manager. The agency representation and business of the agency dwindled to such a degree that it was decided to discontinue the effort to rehabilitate it and close it out. Mr. Ray, who has operated a general agency

in Indianapolis since 1920, will take into his office the Camden and the National Union. He already represents the Dixie, American National, United Firemen's, Stuyvesant and American Home. Robert L. Engle, Indiana state agent of the National Liberty and Washington Underwriters, is taking over the Baltimore American and People's National.

C. W. Alkire, manager of the marine department of the Ramey agency, goes with Mr. Ray in like capacity. Miss Marie Gehrlne, who was underwriter in the Ramey agency, takes a like position in the Ray agency. W. T. Randall, who has been a local agent in the Ramey

agency, also goes over to the Ray agency.

George C. Moore, manager of the casualty and surety department of the Ramey agency, takes over the entire casualty and surety business for the state on an independent basis. Mr. Moore has long been prominently identified with this branch of underwriting and is well known throughout the state. The casualty company contracts have been direct with Mr. Moore.

G. L. Ramey, who launched the agency nine years ago, has not been identified with it since last August when he severed his connection and opened

the G. L. Ramey & Son agency in the Circle Tower, Indianapolis.

Industrial Credit Office Offers Collection Service

Because of the high importance the collection of accounts plays in the insurance field notably during these strenuous times, the wisdom of company executives and others exercising extreme care in selecting a thoroughly responsible agency to act in such capacity cannot be over emphasized. Among the important organizations is the Industrial Credit Association of New York City. Because it is represented throughout the world it is able to give a comprehensive service and is in a position to collect any outstanding account no matter where it is located.

The experienced collection agency gives each account individual attention, utilizing the best method for collecting each type of obligation. What appeared as a bad debt can thus be changed into liquidated funds that can be made to play a significant part in annual profits.

L. H. Bridges Honored

OMAHA, Feb. 15.—Friends of L. H. Bridges, special agent of the Home in Nebraska for the past 11 years, honored him with a dinner dance Saturday evening, on the eve of his departure for Chicago, where he will continue to represent the same company. The affair was under auspices of the Blue Goose, of which Mr. Bridges is now grand supervisor.

S. L. Gardner, most loyal gander of the Nebraska pond, was toastmaster. About 100 guests were present. Talks were made by C. U. Henderson, state agent Home; Herbert Lindquist, president Nebraska Fire Underwriters Association; Leroy Milhollen, an associate of Mr. Bridges in Omaha; N. K. Nelson, of Topeka, deputy most loyal grand gander, and C. P. Helliwell of Milwaukee, grand wielder of the goose quill. Mr. Gardner presented Mr. Bridges a set of matched wood golf clubs.

Other out-of-town guests were Frank L. Britton of Topeka and Fred Brake of Des Moines. Robert Glass, of the Western Adjustment, was chairman of the entertainment committee.

Fire Marshal Wiped Out

INDIANAPOLIS, Feb. 15.—Governor McNutt has announced his appointments for the newly created department of safety, which takes in the fire marshal's and state police department and state bureau of criminal investigation. Department chiefs are eliminated including Alfred Hogston, state fire marshal, and his staff of over 50 employees. It is claimed that the consolidation will save \$50,000 annually—but not to the insurance companies, as it would appear that the fire marshal tax will be the chief contribution to maintenance of the new department.

Celebrates Golden Jubilee

TORONTO, Feb. 15.—The Canadian Fire Underwriters Association, which was organized June 26, 1883, will this year celebrate its golden jubilee. The association started with 30 member companies. The number now is 179.

G. E. Miller Dies

G. E. Miller, assistant manager of the city department in New York City for Crum & Forster for years and connected with the organization since 1895, died suddenly Tuesday.

Loss Association Meeting

The Western Loss Association will meet at the Great Northern hotel, Chicago, at 12:30 o'clock p. m. next Tuesday at a luncheon. Important subjects will be discussed.



ARE you passing up profits on Windstorm Insurance simply because you live in a so-called "quiet" state? If so, let us give you some figures that will show you how you can increase your volume.

Obviously some states are more likely than others to suffer damage from storms. But the facts are that every state suffers—every year. Close to a hundred million dollars—in the past five years—has been paid for insurance claims resulting from windstorm damage. And that money has gone into every state in the Union.

Every one of your customers who owns property is subject to this danger. They can afford Windstorm Insurance because it is so inexpensive. There's many an unprotected home and industrial building that has suffered *minor* losses sufficient to cover the premiums for several years.

In many states it is most satisfactory to issue this protection as a part of our MULTI-RISK policy. This is an attachment for use with Fire policies—that also covers damage from windstorms, explosions, hail, aircraft, riots, motor vehicles.

So, we make a constructive suggestion: to every one of your customers—present the figures on windstorm losses in your state, and describe this economical insurance that all property owners should have. You'll find it easy to sell.

* * *

If you do not already have them, we'll be glad to help by supplying loss figures for your state. And if there is any other information you need on the Windstorm or Multi-Risk policies, just ask questions and you'll have the answers by return mail.

Agricultural
Insurance Company
of Watertown, N.Y.

Empire State
Insurance Company
of Watertown, N.Y.

offering all types of property insurance for industry or the home.

Stability Proven

STOCK FIRE INSURANCE has proven one thing forcibly to itself, its agents and brokers and its buyers: that it is stable and dependable.

Its function requires stability, since its most important reason for existence is to pay honest losses. Hence its organization and method of operation are based upon this function or duty to policyholders.

That duty has been kept firmly in mind, even during the present period of stress. Necessary economies were made and reduction in income suffered, but claims were paid with the promptness that has distinguished the history of this business.

In short, fire insurance kept its head; every day more and more buyers are learning that fact. Hence, public confidence is now greater than ever before, and it can be cultivated to profit by the agent or broker.

He can follow up this proven stability of stock fire insurance, if he will. Therefore, analyze the needs of your prospects, keep this stability in mind, and you will protect many of these needs.

AMERICAN EQUITABLE ASSURANCE
COMPANY OF NEW YORK
Capital, \$1,000,000.00

GLOBE & REPUBLIC INSURANCE COMPANY
OF AMERICA
Philadelphia, Pa. (Established 1862)
Capital, \$1,000,000.00

IMPORTERS & EXPORTERS INSURANCE
COMPANY OF NEW YORK
Capital, \$1,000,000.00

KNICKERBOCKER INSURANCE COMPANY
OF NEW YORK
Capital, \$1,000,000.00

MERCHANTS AND MANUFACTURERS FIRE
INSURANCE COMPANY
Newark, N. J. (Chartered 1849)
Capital, \$1,000,000.00

NEW YORK FIRE INSURANCE
COMPANY
(Incorporated 1832) Capital, \$1,000,000.00

CORROON & REYNOLDS

Incorporated

INSURANCE UNDERWRITERS

Manager

92 William Street

New York, N. Y.



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Preserve Your Reserve with Property Insurance

The North America "Protect What You Have" campaign this month points out the wisdom of safeguarding financial reserves through ample and dependable property insurance. It is striking a responsive chord in the public's mind, a fact favorable to every North America Agent.

See the North America full page advertisement in **THE LITERARY DIGEST**, February 25th.

Insurance Company of North America

PHILADELPHIA

and its affiliated companies write practically every form of insurance except life

CHANGES IN THE FIELD

E. W. Walker State Agent MacMinn Resumes Old Post

Transferred from Chicago Suburban to Illinois Field by North British & Mercantile

Appointed Philadelphia Manager for St. Paul Group Following Death of J. N. Fischler

E. W. Walker, who has been traveling certain Illinois and Indiana suburban territory for the North British & Mercantile, has been made Illinois state agent for that company, due to the fact that Elmer January has been transferred from Illinois to Iowa. Mr. Walker started with the North British & Mercantile about nine years ago in Iowa. He was later transferred to Illinois and made state agent and then he was assigned to the suburban territory.

The suburban territory, which has been traveled by Mr. Walker, is being divided between J. J. Flood and F. B. Ingledew. Mr. Flood will travel the suburban territory north of the Chicago, Burlington & Quincy railroad and Mr. Ingledew the suburban territory south of that line, including Will county, Ill., and Lake county, Ind.

Mr. Flood formerly traveled the northern half of Cook county and Mr. Ingledew had the southern half.

Owing to the sudden death of J. N. Fischler, Philadelphia manager, the St. Paul Fire & Marine fleet has appointed S. J. MacMinn Philadelphia manager, with supervision over Philadelphia, suburban and south Jersey agencies.

Only recently Mr. MacMinn was made state agent for North and South Carolina for the St. Paul fleet and for the next two or three weeks he will divide his time between Philadelphia and Raleigh, until a successor can be appointed in the latter post. That appointment is expected to be announced in the near future.

Veteran in Philadelphia

Mr. MacMinn formerly represented the St. Paul companies in the Philadelphia field for many years and has a wide acquaintance throughout that territory. He left to go with another company and returned to the service of the St. Paul only a few weeks ago.

Adamson Gets N. Y. Post

Chicago Man Is Named Metropolitan Special Agent for the Phoenix of Hartford

R. E. Adamson of Chicago has been appointed metropolitan special agent for the Phoenix of Hartford with jurisdiction in Manhattan, Brooklyn and Long Island. For five years, Mr. Adamson has been a class 1 agent at Chicago, operating first as R. E. Adamson & Co. and more recently as Adamson-Wilson Co. Last year he took quarters with the Chicago office of the Phoenix and since the first of the year he has been liquidating his agency. R. K. Wilson, who was associated with him, has been ill for many months.

A number of Mr. Adamson's friends in Chicago arranged a dinner for him, in view of his new connection. Frank L. Erion, well known independent adjuster, acted as toastmaster. Other speakers were Jay S. Glidden, manager of the Chicago Board; W. H. Potter, Jr., Chicago manager for the Phoenix; J. P. Boyle, an insurance broker and chairman of the appropriations committee of the Illinois legislature; Cliff Johnson of George W. Roberts & Son, and William Johnson of Lyman, Richie & Co. Mr. Adamson was presented with a traveling bag.

Mr. Adamson was formerly assistant manager in the west for the Fred S. James companies and previous to that was connected with the Phoenix of Hartford.

F. R. Sherman, R. J. Youngblood

Following the transfer of Frank Weber, Iowa state agent for the National-Ben Franklin and Mechanics, to Cleveland, F. R. Sherman, state agent in Iowa for the Milwaukee Mechanics, will take over Iowa representation of the National-Ben Franklin. R. J. Youngblood, Iowa special agent for the Metropolitan Casualty, will handle the Mechanics. The headquarters of both Mr. Sherman and Mr. Youngblood are in Des Moines.

B. A. Wilkins

B. A. Wilkins of Denver, special agent for the Hartford, has been transferred to Wichita, Kan. No one will be employed to succeed him in the mountain field, according to Roy G. Harris, state agent. His work will be distributed among other members of mountain field force.

George Shaw, Ray Parker

George Shaw, who has been state and general agent for the Agricultural in New England for many years, is retiring from active service. He is one of the best known field men in New England. He is being succeeded in the Boston territory by Ray Parker, who has been representing the Agricultural in the central New York territory.

Veteran Retires



CHARLES T. WRIGHT

Charles T. Wright, veteran Illinois special agent for the Great American, who has suffered something of a physical breakdown, is being retired on pension. Two years ago Mr. Wright completed 50 years of service with the Great American and that occasion was celebrated by a dinner in his honor at Kankakee, Ill., at which he was feted by his many friends in the field. Towards the end of last year, Mr. Wright felt that his health was not up to par and he has been under medical observation. Although, just recently, he has shown some improvement, he and Western Manager C. R. Street have decided that he had better rest on his laurels and not take any chances.

The Illinois field of the Great American will be divided among present field men.

NEWS OF THE COMPANIES

Golden Year Figures Given

Security Fire of Davenport Gives Good Account of Itself at Half Century Post

The 50th annual statement of the Security Fire of Davenport shows assets \$2,093,773 of which \$594,320 are city loans, \$315,436 farm, \$546,261 bonds, \$164,500 stocks, \$78,297 cash. The premium reserve is \$904,456. Its contingent reserve is now \$70,000, an increase of \$40,000 over last year. Its capital is \$500,000 and net surplus \$503,246. The contingent reserve takes care of the security fluctuation and puts the surplus on a market value basis. The loss ratio on an incurred basis to premiums earned last year was 33.33 percent as compared with 33.42 the year before. The underwriting expense incurred to premiums earned was 55.7 percent as compared with 54.81. There was a slight drop in premiums amounting to one-half of 1 percent. The percent of total losses and expenses earned and dividends declared to total income earned was 95.09 in 1932 and 95.75 in 1931. The losses incurred to net premiums written, that is net agency premiums less reinsurance, was 35.13 percent as compared with 34.88 for 1931.

This is the golden jubilee year of the Security Fire as it was organized in 1883. It has had a continuously successful existence. The Security Fire has always prided itself on its conservatism in management and that is reflected in its financial structure. The Iowa insurance department has just completed its examination of the Security approving the annual figures.

Annual Reports of Boston and Old Colony Are Issued

The annual statement of the Boston shows assets \$22,782,273, the main items of which are U. S. government bonds \$1,323,303, state, county and municipal bonds \$1,981,439, stocks of national banks and trust companies \$1,784,095, railroad bonds and stocks \$2,575,537, public utility bonds and stocks \$2,751,507, other bonds and stocks \$9,197,391, real estate \$1,364,000, premiums and accounts in course of collection \$799,354 and cash \$761,296.

Premium reserve amounts to \$4,988,684, loss reserve \$1,315,433, contingency reserve \$5,323,281, capital \$3,000,000, net surplus \$6,864,561.

The Old Colony shows assets of \$8,652,999, including U. S. government bonds \$789,274, state, county and municipal bonds \$1,465,826, stocks of national banks and trust companies \$932,249, railroad bonds and stocks \$1,325,593, public utility bonds and stocks \$1,736,704, other bonds and stocks \$1,826,816, premiums in course of collection \$232,899 and cash \$246,249.

Premium reserve amounts to \$1,487,735, loss reserve \$305,412, contingency reserve \$2,006,245, capital \$1,000,000 and net surplus \$3,618,607.

American of Newark Figures

The American of Newark in its annual statement shows assets \$30,150,894, premium reserve \$13,459,659, loss reserve \$2,416,534, contingent reserve \$5,000,000, special reserve \$300,000, capital \$3,343,740, net surplus \$4,825,172.

Eureka-Security F. & M. Figures

The Eureka-Security Fire & Marine of Cincinnati in its annual statement shows assets \$3,847,821, of which \$1,293,124 are in bonds of various kinds, \$1,353,132 in national bank stocks and other securities, \$363,709 in government bonds. Its capital is \$1,000,000, premium

reserve \$1,662,888, contingency reserve \$300,000, net surplus \$434,053. It did not use the amortized basis in valuing its bonds.

Fire Association Results

Net premiums written by the Fire Association in 1932 amounted to \$7,354,024. Losses paid were \$4,714,206; taxes paid \$281,420 and commissions and expenses paid \$3,533,878. After adjust-

ment of all other reserves, release of unearned premium reserve brought about an underwriting profit of \$332,352, which was carried to surplus.

The conservatism of the action in selling the Constitution Indemnity for \$940,515 cash in May and capital reduction during July has been increasingly apparent, according to President O. E. Lane.

General of Seattle Election

At the annual meeting of the General of Seattle, J. T. McVay, vice-president First National Bank of Seattle, was elected to the board and made a vice-

president. Mrs. A. S. Bullitt was elected to the board to fill the vacancy caused by the death of her husband.

Great American Statement

The annual statement of the Great American shows assets \$47,900,460, premium reserve \$15,557,641, contingency reserve \$8,600,000, special reserve \$700,000, capital \$8,150,000, net surplus \$12,011,342.

Smart Named Vice-President

James D. Smart, secretary of the New Hampshire Fire, was elected vice-presi-

EVIDENCE OF FINANCIAL STRENGTH

FINANCIAL STATEMENT

DECEMBER 31, 1932

ASSETS

Government Bonds (Canada).....	\$ 150,180.00
Government Bonds (United States).....	302,034.00
School Bonds	1,359,196.00
State, Municipal and County Bonds.....	1,121,987.00
Railway Bonds	169,820.00
Public Utility Bonds.....	896,063.00
Real Estate and Other Bonds.....	29,750.00
Adjustment and Salvage Company Stocks.....	300.00

TOTAL BONDS AND STOCKS.....\$4,029,330.00

Real Estate Mortgages, First Lien.....	53,200.00
Real Estate	124,364.54
Contracts Receivable, Secured by Title.....	2,000.00
Cash in Banks and on Hand.....	608,726.94
Premiums in Course of Collection.....	331,770.73
Accrued Interest on Investments.....	65,481.51
Re-Insurance Recoverable on Paid Losses.....	2,538.89

TOTAL ADMITTED CASH ASSETS.....\$5,217,412.61

LIABILITIES

Reserve for Unpaid Losses.....	\$ 232,537.62
Reserve for Unearned Premiums.....	2,043,355.23
Reserve for Accrued Taxes.....	55,000.00
Reserve for Accrued Commission & Expenses...	32,000.00
Reserve for Contingencies.....	500,000.00
Permanent Fund	1,000,000.00
Net Cash Surplus over all Liabilities.....	1,354,519.76

\$5,217,412.61

Cash Surplus to Policy Holders.....\$ 2,354,519.76

IT IS mandatory to use the amortized and investment values as prescribed by the Convention of Insurance Commissioners; however, the Millers National has amply provided for the further depreciation of the market value of its securities by adding \$300,000.00 to its Contingent Reserve, making a total of \$500,000.00—Judge for yourself the soundness of this Company.

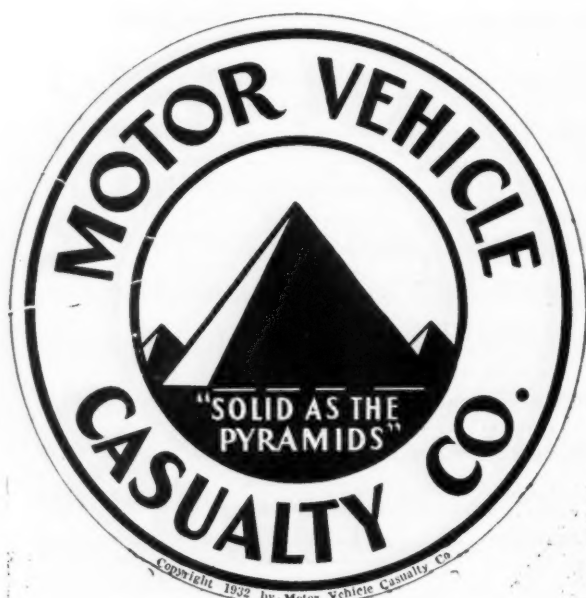


Incorporated 1865

Chicago, Illinois

F. S. Danforth, Pres.

For 18 years
just plain
old fashioned
honesty
to
policyholders,
agents,
brokers.



Home Office

223 W. Jackson Blvd., Chicago, Illinois
A STOCK AUTOMOBILE COMPANY

Under same management for the past 18 years. Organized in 1914 as Motor Vehicle Underwriters, changed to Motor Vehicle Casualty Company in 1930.

dent at the annual meeting of the board to succeed the late Col. W. P. Burpee. George A. Dewey, supervisor of the loss department, was given the title of assistant secretary.

Detroit National Meeting

At the annual meeting of the directors of the Detroit National Fire all officers were reelected. The annual report showed the company to be in excellent condition with ample cash reserves. Its

experience during 1932 was very satisfactory.

Providence Washington Figures

The Providence Washington annual statement shows assets \$13,637,474, premium reserve \$4,240,368, contingent reserve \$3,106,195, capital \$3,000,000, net surplus \$2,181,233. The company increased its U. S. government bond holdings to \$1,896,010 during the year. The investment income was \$520,577.

AS SEEN FROM CHICAGO

BESSER'S FATHER DIES

E. E. Besser, Jr., Chicago general agent for fire and casualty companies, and for the Lincoln National Life, is bereaved by the death of his father, of New Rochelle, N. Y. He and his brother, R. T., who is associated with him, attended the funeral in New Rochelle. Their mother survives.

* * *

DR. DINGMAN GIVES TALK

Dr. H. W. Dingman, vice-president of the Continental Assurance of Chicago, delivered a lecture in the Continental Assurance-Continental Casualty course in the auditorium of the Chicago Board Tuesday evening. He spoke on some of the aspects of life underwriting. Next Tuesday evening Vice-president L. L. Johnson of the Continental Assurance will speak on "Why Men Sell Life Insurance," and M. D. Phipps, educational director, will speak on "Why Men Buy Life Insurance."

* * *

BONDED BY CONTINENTAL CASUALTY

All the members of the Chicago Board, class 1 and class 2 agents, class 3 and 4 brokers are bonded in the Continental Casualty. A change was made a few months ago in the bonding arrangements, and the Continental Casualty was chosen. These bonds cover embezzlement where an agent or broker collects money and does not make returns. For instance an agent may collect premiums from the assured and not ultimately pay the company or a broker may collect from customers and not pay the agent or office with which he does business. It must be proved that the money has been collected from the assured and not turned over. The limit of liability on a broker is \$1,000 and on the agent \$3,000. No bonds are issued to non-board brokers or agents. All agents and brokers must have a state license. They are carefully checked up. There have been some losses under these bonds but if the Continental Casualty has to pay, that practically ends the career of the person bonded. The moral effect is regarded as potent.

* * *

CEASES EDITORIAL WORK

John C. Leissler, insurance editor of the Chicago "Journal of Commerce," has discontinued his editorial work for "Association News" of Kankakee, Ill. Shirley Moisant, editor of "Association News," plans personally to supervise to a greater extent the getting out of the paper. Editor Leissler introduced a feature "Random Shots" in Mr. Moisant's journal.

* * *

BIG ELEVATOR LOSS

The third large elevator fire in Chicago within a year occurred last week in the midst of the extreme cold weather. The seven story elevator of the Rosenbaum Grain Corporation on Goose Island was destroyed. This was an old style frame house. Insurance on the house in the amount of \$250,000 was carried by the Underwriters Grain Association and about the same amount was carried outside the association. There was \$50,000 insurance on the boiler house, of which \$30,000 was in the Grain Association.

At the last report there was about 700,000 bushels of wheat in the house

and about 1,000,000 bushels of corn. The Grain Association carried \$565,000 on the grain.

The Rosenbaum corporation leased the elevator from the Chicago Elevator Properties, which is an affiliated enterprise of the Rosenbaum corporation.

Most of the grain in the house was for the account of S. F. Lewis & Co. and Charles Sincere & Co.

The two disastrous grain elevator fires in Chicago last year were those of the so-called Santa Fe elevator and of the Burlington elevator.

In May 1930, the Minnesota elevator, also leased by the Rosenbaum corporation, and located on Goose Island, was destroyed by fire. The Minnesota elevator was not replaced and the assumption is that the other elevator on Goose Island will not be replaced, inasmuch as practically all of the new elevators are being built in the Calumet region, which is more accessible to shipping and which is better from a labor standpoint.

* * *

JOHN MATHEWS RESIGNS

John E. Mathews, special agent of the Western Factory, with headquarters in Chicago has resigned. He has been in the business for over 30 years as local agent, with the rating bureaus and as solicitor for the Lansing B. Warner inter-insurance exchange, aside from his many years with the Western Factory. He is the son of T. Erskine Mathews, retired agency superintendent of the Commercial Union, now residing at Santa Monica, Cal. He expects to remain in the business, having had an excellent training.

* * *

APPRAISAL MAN TO SPEAK

At the meeting of the Chicago Association of Fire Insurance Examiners Thursday evening of this week, R. H. Koepe, district manager of the American Appraisal Company, will speak on "Values."

* * *

GENERAL COMMITTEE NAMED

L. E. Yager, chairman of the Chicago Board, has been named chairman of the general committee of Chicago men, in charge of arrangements in that city for the annual meeting of the National Association of Insurance Agents some time in October. The other members of the committee are R. I. Read, manager of the brokerage department of Crum & Forster in Chicago; Fred J. Sauter, Cook county manager of the Boston, New Hampshire and Aetna Fire; P. B. Hosmer of R. W. Hosmer & Co.; A. F. Shaw of A. F. Shaw & Co., and R. T. Nelson of the Chicago Board.

* * *

NEW AGENCY IN CHICAGO

The Insurance Agency of Chicago has been opened in the Insurance Exchange, with M. E. Driscoll, president; A. M. Eisefelder, vice-president and treasurer, and Fred Kahn, secretary. The title soon will be changed to the "Standard Agency of Chicago." The agency is general agent for the Ohio Casualty. Mr. Driscoll for 15 years was connected in Chicago with Lee Pfaelzer & Son and for three years recently has been office manager of the Kelly, Halla, Peacock agency of Detroit. Mr. Eisefelder until a few months ago was general merchant-

dise manager of the Boston Store in Chicago and is a director of the New Century Casualty. Mr. Kahn is a veteran real estate man of Chicago.

Western Manager **George H. Bell** of the National of Hartford at Chicago and Mrs. Bell have gone to the western coast of southern Florida and will spend some weeks there.

D. S. Hanna, marine secretary of the National Union, was visiting the company's agents in Chicago and nearby cities last week.

As Seen from NEW YORK

REPORT ON COMPLAINT BUREAU

The New York insurance department's complaint bureau had 963 complaints against companies and 2,800 against agents, brokers and public adjusters in the year ending Nov. 30, 1932, according to Superintendent Van Schaick's annual report. Investigation resulted in the suspension of 263 agents' licenses, 71 brokers' and three adjusters'. There was an increase of 37 percent in the total number of cases handled.

AVIATION PREMIUMS INCREASE

The aviation industry is one of the few divisions of business that has not suffered in the present economic depression, being more active today than has been the case for some time. This applies to the manufacture of planes as well as to the number of passengers and the volume of mail matter carried. Producing concerns are reputed to have disposed of virtually all of their accumulated stocks, so that from now on orders will mean turning out of new parts and engines and will require increased labor.

Air transportation is the only division of transportation to register traffic gains in 1932. With every indication of still further increases this year. During the past month the volume of premiums secured by the Continental and the companies allied with it in the Associated Aviation Underwriters revealed an increase of 16½ percent over the returns had from the several classes of aviation covers in the same month last year. While a percentage of the gain, according to an interested company official, represents lines on new planes, the major portion was due to a shifting of risks formerly carried by smaller associations.

RULES ARE REVISED

The explosion conference has adopted revised commission and brokerage and coinsurance rules on explosion, riot and civil commotion business. With certain exceptions, brokerage in ordinary territory is 10 percent and in excepted territory, 15 percent. Commissions to agents in ordinary territory are 20 percent and in excepted territory, 25 percent. The definition of general agents was revised.

The use of the 10 percent coinsurance clause on non-manufacturing risks has been extended and a reduction from 50 percent to 35 percent in the rate increase for the use of the 25 percent coinsurance clause was enacted.

MOVEMENT FOR AMORTIZATION

There is a movement on foot to have legislatures amend the laws to authorize fire and casualty companies to amortize bonds in states where such practice is not permitted at present. Some states seemingly can permit this while others cannot or at least there is no specific authorization. In all states life companies amortize their bonds. The National Convention of Insurance Commissioners gave it as its opinion that this practice should be extended to fire and casualty companies. In Wisconsin, for example, companies are required to give the valuation of all securities on the basis of

market quotations as of Dec. 31, but life companies are permitted to amortize their bonds.

BROKERS HOLD MEETING

Pending legislation at Albany affecting insurance interests was considered at the monthly meeting of the General Brokers Association this week, as were also recent developments of concern to brokers in the affairs of the defunct Union Indemnity of New Orleans.

FIRE DEPARTMENT RETURNS

Of the 45,274 alarms responded to by the New York City fire department last

year, 14,051 were false or unnecessary, though each added to the cost of the department's operations. During the same period 119 persons were arrested for arson under direction of the fire marshal. Complaints resulted in 20 convictions with 53 cases awaiting trial.

Cook County Bureau Will Handle Automobile Losses

NEW YORK, Feb. 15.—The National Automobile Underwriters Association, in session here, declared carried the proposal to have automobile losses in Chi-

cago referred to the Cook County Loss Adjustment Bureau for assignment. The proposal was put to a mail vote and it prevailed. A western subcommittee is in charge of putting this new system into effect and this will be done shortly.

Since the automobile association decided some time ago not to put out a new rate manual this year, there will be few changes and these will be accomplished by the issuance of supplementary bulletins.

Harry Gray, former general adjuster for the North America at Austin, and more recently with the San Antonio Adjustment Company, has opened an independent office at 601 Western National building, San Antonio.

FINANCIAL STABILITY

REPUTATION

SERVICE TO AGENTS

*It takes all three notches
to unlock the door of
insurance success*

Sound planning—and unstinted
service to agents in getting and
holding desirable business have

built both reputation and financial stability for The Citizens.

Agents who have an eye to the future, as well as the present, will do well to think seriously about representing this sound and progressive company.

**CITIZENS
INSURANCE COMPANY
OF NEW JERSEY**

EXECUTIVE OFFICE • HARTFORD, CONN.



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W. A. SCANLON, GEORGE C. ROEDING AND O. E. SCHWARTZ, Associate Managers
PUBLICATION OFFICE, A1946 Insurance Exchange, CHICAGO, Telephone Wabash 2704
CINCINNATI OFFICE, 420 E. Fourth St., Tel. Parkway 2140. RALPH E. RICHMAN, Manager

NEW YORK OFFICE

Room 803-123 William St.,
Tel. Beekman 3-3958

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LEYERING CARTWRIGHT, Ass't Man. Editor
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Companies Are Being Studied

AGENTS are scrutinizing far more carefully than they have in years gone by, not only the financial statements of casualty companies but the character, experience and moral fibre of the management. They want to get at the dominating factor or factors in the company and put them to the acid test. The collapse of the UNION INDEMNITY has cost agents and brokers thousands of dollars because many of them have felt responsible to their assureds and have paid the unearned premium to procure new insurance.

Many insurance people were caught napping as far as this company was concerned. The keen observers and students of the business, while perhaps surprised at the suddenness of its collapse, realized that it was headed toward disaster because of the promotional type of the people in control. They were out for volume, were high spenders and lacked that conservatism and good judgment so necessary for permanency in the casualty and surety field. They realized very much on political pull to get business, they sold stock not only to agents but to contractors and others from whom the company hoped to secure business. Scores of insurance men bought stock of the INSURANCE SECURITIES CORPORATION and when the financial crash came, the shrinkage was terrific.

Agents having had this experience with the UNION INDEMNITY and to some extent with the SOUTHERN SURETY, HOME ACCIDENT of Arkansas and other cases, are not keen to take further chances. In some of these failed companies agents used their policies because they cut rates or granted more liberal terms. This is particularly true where an assured balked at paying manual rates. Some insurance salesmen

were keen enough to write a letter to their policyholders saying that they could not in all respects recommend the company but inasmuch as the customer demanded a lower rate, this was about the best that could be gotten.

Policyholders as a rule are holding agents and brokers responsible if a company fails. Their plea is that they instructed their insurance man to place the insurance in a "good company." They left the selection to the insurance man. If, therefore, the company fails the assured does not hesitate to fix the responsibility at once. Unless, therefore, the insurance man replaces this insurance at his own expense he is quite likely to lose the customer. It is very poor advertising to have customers going around telling that they lost by dealing with this insurance agent or because the insurance was placed in an unsatisfactory company. Therefore, there is greater selectivity among companies than ever before. Producers realize they cannot afford to gamble.

Agents and brokers that took the companies' statements for granted in days gone by are now bringing out the searchlight. They are seeking information from those who know. Companies of undoubted financial strength and management are having no difficulty in getting agents. Many agents representing companies in the doubtful class are seeking to strengthen their position by getting a better grade if possible. The intelligence, conservatism and sagacity of a management are prime requisites these days. If a captain can steer his ship in waters that are not too troubled and keep away from the rocks he will find plenty of passengers trying to get on his boat.

Liability Insurance Gives Returns

NEXT to accident insurance, liability insurance offers today the most promising returns among the various lines of insurance sold in the multiple line office, according to the agency manager for a large general agency. He said that the public today is claim minded. An injury which would have been overlooked a few years ago is capitalized

today for all it can be made to produce. On the slightest excuse, a suit is brought against the property owner or at least damages are sought. Moreover, it is a time when every man who can do so at all, wants to conserve the assets he still possesses. Liability insurance costs so little that it is truly tempting fate in these days to go without it.

PERSONAL SIDE OF BUSINESS

Jay A. Weeks, state agent for Minnesota for the Home, is receiving the sympathy of friends on the death of his father, John W. Weeks, at the age of 80.

J. C. Baremore, independent adjuster of Minneapolis, is confined to the hospital there as a result of an automobile accident, in which he suffered a broken leg and severe lacerations.

H. M. Sisson, Oklahoma state agent for the Phoenix of Hartford group, and Mrs. Sisson were painfully injured in an automobile accident, just after leaving Oklahoma City on an overland trip to Chicago. Mr. Sisson has recovered sufficiently to return to the office, but Mrs. Sisson is still confined to the house.

C. H. Roloson, Jr., president Central Fire of Baltimore, has been elected general chairman of the Baltimore Safety Council.

Willard R. Noyes of the Noyes agency, Albion, Mich., last week celebrated the 35th anniversary of his entering the insurance business.

R. L. Daniel of Victoria, Tex., whose appointment as life insurance commissioner and chairman of the Texas board of insurance commissioners was recently confirmed by the senate, took office Feb. 11. He succeeds W. A. Tarver, who retired to resume the practice of law. Mr. Tarver had served since May 1, 1929. Mr. Daniel was formerly commissioner, having been appointed by Governor Ferguson during her first term in 1925.

R. D. Air of Kansas City, Kansas state agent of the America Fore group, is bereaved owing to the death of his wife, who has been in ill health for some time. Mr. Air was formerly one of the examiners of the old Phenix of Brooklyn in its western department at Chicago.

C. M. Smith of Oklahoma City, special agent of the Springfield Fire & Marine, is receiving the condolences of his friends owing to the death of his father, James J. Smith, who had resided with him for a number of years. His father was past 71 years of age and had been in ill health for the last two years. The funeral services were conducted from Our Lady of Sorrows Church in Chicago, where the father served as usher for many years.

James F. Pershing, brother of Gen. John J. Pershing, who died last week, was president of the Pavonia Fire of Jersey City. He had been ill since Dec. 20. He was born in Missouri and in his early business life was in the clothing manufacturing business in Chicago and then in New York. In 1927 he entered the insurance business in Jersey City. With Fred E. Bloodgood, he organized the Pavonia Fire.

Forty years' service in Kansas for the American Central is the record of Sam F. Woolard, who now also represents the entire Commercial Union group in 38 counties in southwest Kansas. Starting Feb. 27, 1893, in Kansas at the half way mark of his company's corporate existence, Mr. Woolard was also given the three mountain states in November, 1894, and Oklahoma and Indian Territory in 1895. For a number of years Nebraska was also added. Only in the past few years has his territory been confined to Kansas. Hundreds of agencies in the seven states were first planted by Mr. Woolard, who has also given early training to a great number of field men, many now holding responsible connections with other companies, but often returning to Mr. Woolard for advice. Several field clubs have been organized

with the help of Mr. Woolard. He was a charter member of the Oklahoma and Indian Territory Field Men's Club, the Central Kansas Field Men's Club at Wichita and the Kansas Fire Underwriters Association at Topeka and helped reorganize the Mountain Field Club in 1910. He is also a charter member of the Kansas Blue Goose and has taken an active part in the Kansas Fire Prevention Association. Any movement for the good of the business receives his hearty approval and support. As dean of the Kansas field men, Mr. Woolard is always called upon for his advice by agents and field men alike.

Mrs. Lily Manners, mother of George Manners, Minnesota state agent for the Twin City Fire, died Feb. 11 at her home in Hastings, Minn.

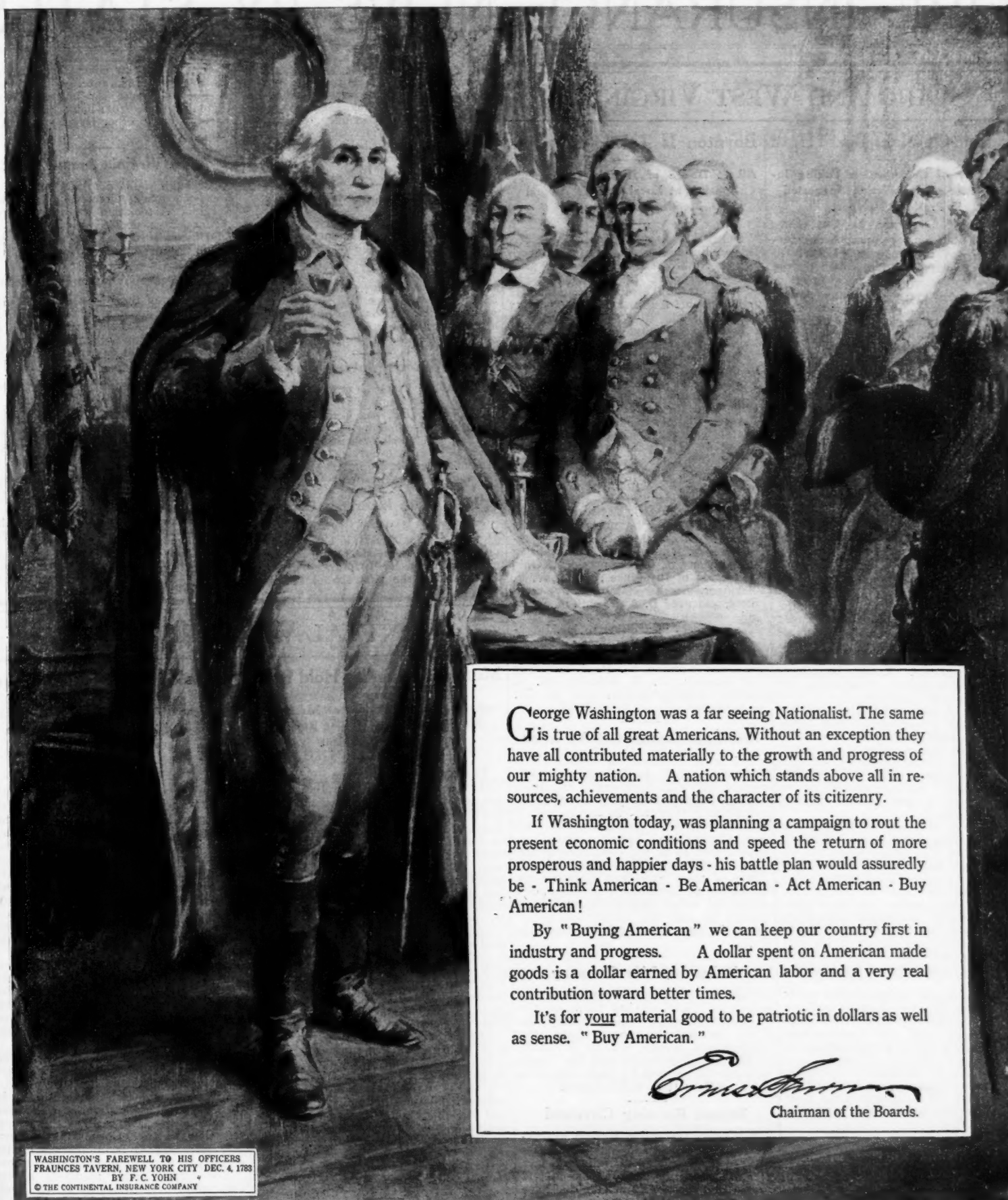
E. P. Kiesler of St. Louis, state agent of the Kansas City Fire & Marine, will assist in celebrating the 63rd wedding anniversary of his father and mother, Mr. and Mrs. H. G. Kiesler, Friday of this week at their home in St. Louis. The elder Kiesler for many years was state agent of the American Central. He retired some time ago.

After ignoring his doctor's orders for some time Howard E. Bjodstrup, Sioux City manager of the Western Adjustment, has accepted his company's tender of a two months' vacation. He is now in a hospital for an operation for appendicitis. Then after a thorough physical overhauling he will go south for the balance of the two months to recuperate. T. R. Turner, local adjuster, is in charge of the Sioux City branch and A. L. Heiam of the Minneapolis office of the Western has arrived to complete the staff there.

INSURANCE STOCK QUOTATIONS

By H. W. Cornelius, Bacon, Whipple & Co., 112 W. Adams St., Chicago, as of Feb. 14

Stock	Par	Div. per Share	Bid	Asked
Aetna Cas.	10	1.60	40	42
Aetna Fire	10	2.00	28	30
Aetna Life	10	...	14	16
Amer. Alliance ..	10	1.00	12	13
American, N. J. .	2.50	.50	6 1/2	7 1/2
Amer. Surety ...	25	...	13	14
Automobile, Conn.	10	1.00	15	17
Boston	100	16.00	340	360
Carolina	10	...	10	12
City of N. Y.	100	2.50	75	85
Conn. Gen'l	10	.80	23	25
Continental Cas. .	5	...	7 1/2	8 1/2
Continental Ins. .	2.50	1.20	15 1/2	16 1/2
Fidel.-Phenix ...	2.50	1.20	16 1/2	17 1/2
Fireman's Fund. .	25	3.00	42 1/2	44
Fireman's F. Ind. .	...	...	16	18
Firemen's	5	.60	5 1/2	6 1/2
Franklin Fire ...	5	1.00	12	14
Glens Falls	10	1.60	23	25
Globe & Rutgers .	25	...	44	48
Great Amer. Ind. .	1	...	5	7
Great American. .	5	1.00	12	14
Halifax	10	.90	7 1/2	8 1/2
Hanover	10	1.60	23	25
Harmonia	10	1.80	8	10
Hartford Fire ...	10	2.00	39	41
Home, N. Y.	5	1.00	13	15
Hartford St. B. .	10	1.60	41	43
Home F. & M. ...	10	2.00	22	23
Homestead	10	...	6	7
Ins. Co. of N. A. .	10	2.00	32	34
Lincoln Nat'l. L. .	10	2.50	34 1/2	36
Maryland Cas. . .	2	...	2 1/2	3 1/2
Mass. Bonding. .	25	2.00	10	13
National Cas. ...	10	.40	5	6
National Fire ...	10	2.00	39	41
National Liberty. .	2	.10	3	4
National Surety. .	10	...	6 1/2	7 1/2
National Union. .	20	...	20	23
New Amst. Cas. .	10	1.50	13	14
New Brunswick. .	10	.50	8	10
North River	2.50	.60	10	11
N. W. National. .	25	5.00	70	73
Occidental	10	...	10	12
Pac. Mutual	10	2.00	26	28
Phoenix, Conn. . .	10	2.00	48	50
Prov. Wash.	10	...	18	20
Sprgfd. F. & M. .	25	4.50	65	68
St. Paul F. & M. .	25	6.00	108	110
Sun Life	100	...	260	280
Travelers	100	16.00	340	355
U. S. Fire	4	1.20	18	20
U. S. Fld. & G. .	2	...	3	4
Westchester	2.50	1.00	14	15



George Washington was a far seeing Nationalist. The same is true of all great Americans. Without an exception they have all contributed materially to the growth and progress of our mighty nation. A nation which stands above all in resources, achievements and the character of its citizenry.

If Washington today, was planning a campaign to rout the present economic conditions and speed the return of more prosperous and happier days - his battle plan would assuredly be - Think American - Be American - Act American - Buy American!

By "Buying American" we can keep our country first in industry and progress. A dollar spent on American made goods is a dollar earned by American labor and a very real contribution toward better times.

It's for your material good to be patriotic in dollars as well as sense. "Buy American."

Ernest Sturm
Chairman of the Boards.

WASHINGTON'S FAREWELL TO HIS OFFICERS
FRAUNCES TAVERN, NEW YORK CITY DEC. 4, 1783
BY F. C. YOHN
© THE CONTINENTAL INSURANCE COMPANY

The AMERICA FORE GROUP of Insurance Companies
THE CONTINENTAL INSURANCE COMPANY FIDELITY-PHENIX FIRE INSURANCE COMPANY NIAGARA FIRE INSURANCE COMPANY
AMERICAN EAGLE FIRE INSURANCE COMPANY FIRST AMERICAN FIRE INSURANCE COMPANY MARYLAND INSURANCE COMPANY OF DELAWARE

Eighty Maiden Lane,

THE FIDELITY AND CASUALTY COMPANY

New York, N.Y.

NEW YORK

CHICAGO

SAN FRANCISCO

ATLANTA

DALLAS

MONTREAL

FIRE INSURANCE NEWS BY STATES

OHIO AND WEST VIRGINIA

Ransom Cleveland Board Head

Possibility of Organization Taking Inland Marine Jurisdiction Suggested in President's Report

C. O. Ransom, who has been vice-president of the Insurance Board of Cleveland, was elected president by the trustees following the annual meeting. Mr. Ransom presided at the annual meeting, in view of the fact that President H. R. Manchester is in the midst of a world tour.

The vice-president is Eugene S. Davis and S. J. Horton was reelected secretary. John W. Barrett, W. I. Keetch and Mr. Manchester were elected trustees for a three year term.

The proposed amendment to the regulations was adopted providing for a plan under which all members of the Cleveland board would become members of the Ohio Association of Insurance Agents and the National association. A message was sent to President Manchester, who was somewhere between New York and Madeira.

Report of President

The president's report stated that the trustees have given consideration to the possibility of the board taking jurisdiction over inland marine. That suggestion has been broached because the practice continues of those not licensed to do an insurance business selling furs, customers, laundrymen's customers, warehouse storage and other similar forms of insurance. Protests have been made to the insurance department, but the practice still continues.

Because of mergers and reinsurance by companies whose agents were members of the board, with companies whose agents were not members, diplomatic handling was needed in connection with the nonintercourse rule. The uniform agency contract has been studied by the board as well as the standard agency qualification law.

During the year one of the big life companies with large sums loaned on mortgages in Cleveland ruled that no fire insurance policy would be accepted as security by them unless accompanied by a signed certificate of the issuing agent that the premium had been paid. The life company was finally induced to modify this ruling to the extent of accepting such policies subject to the furnishing of a certificate of premium payment within 60 days from the date of the policy.

An arrangement similar to that existing with the Western Factory and the Western Sprinklered Risk Association was arranged with the Underwriters Service Association as to its methods of operation in Cleveland.

The volume of premiums reported by members was 16.04 percent less for 1932 than for 1931. Compared with the peak of 1929, the 1932 volume was 39.05 percent less.

Will Combine Offices

CLEVELAND, Feb. 15.—Arrangements are being made for the National Liberty to take joint office space with the Home here. A. S. Forsch, Cleveland manager for the Home, is enlarging his space at 426 Leader building to meet the requirements of both companies. F. A. Dickerson is northeast Ohio state agent for the National Liberty and J. F. Lisy, Jr., is Cleveland manager. The National Liberty's offices have been at 614 National City Bank building.

Boynnton Is Toledo President

Albert Dodge of Buffalo Is Principal Speaker at Local Board's Annual Meeting and Banquet

TOLEDO, O., Feb. 15.—Albert Dodge, Buffalo, N. Y., national councillor for New York state, was the principal speaker at the annual banquet meeting of the Toledo association. He urged support for financial responsibility and automobile drivers' license laws as a boon to casualty insurance. These laws, he declared, also would be an important contribution in bringing about greater safety on highways.

Current business conditions, Mr. Dodge pointed out, have made a more fertile field for accident and health insurance. "We are going to see the greatest era our business ever has experienced. The unfit are being eliminated. New types of insurance are coming," he said.

Herbert S. Boynton, Long-Boynton Co., new president of the Toledo association, succeeding G. W. Senn, said the association should be made a clearing house for successful ideas. Other speakers were W. J. Kountz of Kountz, Stieg & Whitaker Co., former president, Ohio Association of Insurance Agents, W. E. Flickinger, member state executive committee, and Fred B. Ayer, both of Cleveland.

New officers in addition to Mr. Boynton are Fred W. Smith, first vice-president; Paul B. Shawen, second vice-president; Norman W. Reed, secretary and counsel; W. E. Schmitt, W. S. Kridler, Harvey Martin and G. W. Senn, directors.

Mortgage Clauses Get Attention

Mortgage interests in Ohio, which have given study to the new mortgage clauses, 127 with contribution and 127B without contribution, now in use, are complaining that the clauses do not fit the old New York standard policy used generally in Ohio. They appear to have been drawn to fit the conditions of the New York state fire policy instead. Some of these mortgage interests are saying quite forcefully that companies ought to either revise the mortgage clauses to suit the present policy or adopt the new New York standard policy.

Takes on Life Company

The A. F. Goldenbogen Company agency of Cleveland has taken on the representation of the Ohio National Life. E. G. Barnett, who recently joined the Goldenbogen agency, will be in charge of the life department and life insurance operations will be under the firm name of Barnett & Goldenbogen.

Bureau Rerating Cleveland

The Ohio Inspection Bureau has begun rerating Cleveland, on a 3rd class basis instead of 2nd. The bureau says Cleveland has not been eligible to 2nd class rating for some time. There have been very heavy fire losses in Cleveland in recent months and members of an alleged arson ring are now under arrest. Several engine houses have been closed as a result of a retrenchment policy, and the number of firemen on duty has been decreased. The Inspection Bureau says that the rerating work will result in both increases and decreases in rates, depending to a considerable extent on conditions found in different risks. While the general tendency, the bureau

says, will be slightly upward, it will be possible in many cases through making improvements or correcting existing defects to offset increases that might otherwise result. Rates on unexposed dwellings will not be increased as a class, although there may be increases on such as are subject to specific rating by the bureau.

Watkins Agency Burns Out

In a fire which destroyed a business block in Barberton, O., last week, the S. F. Watkins agency of that city was consumed and all records and supplies were lost. Mr. Watkins arranged with his companies to have all February and March renewals handled and sent for new supplies. He is one of the leading agents in Barberton and represents many companies.

New Grange Mutual Licensed

The Ohio State Grange Mutual Insurance Association of Zanesville, O., just incorporated, has been licensed by the Ohio department. It will write fire, lightning and windstorm insurance. The Grange Insurance Service of Columbus also has been incorporated but has not yet applied for a license.

Hale Gives Insurance Course

CLEVELAND, Feb. 15.—Clayton G. Hale of the Hale & Hale Co., who conducted a successful class on "The Principles of Property Insurance" at Fenn College here the past school semester,

has started a new course on "Problems of Property Insurance." This course is intended more for business people, including those from bank insurance departments and other large buyers of insurance.

West Virginia Annual Meet

Although definite arrangements have not been made, directors of the West Virginia Association of Insurance Agents have decided to hold the annual meeting of the association in June, either at Fairmount, W. Va., or Beckley.

Blue Goose Luncheons at Toledo

Members of the Blue Goose at Toledo are now holding a luncheon the last Monday of each month. Members of the organization from other cities who are in Toledo on that day have been invited to "sit in."

Ohio Notes

Cambridge, O., will be inspected Feb. 21 by the Fire Prevention Association of Ohio.

R. M. Ryan, superintendent of the special risk department of the Western Adjustment in Chicago, has been on a tour of Ohio this week.

J. W. Northrup & Co., Columbus, has been incorporated by J. W. Northrup, S. W. Northrup and M. J. Saylor.

The Herberich-Hall-Harter Insurance Agency of Akron has been incorporated by Charles Herberich, E. W. Reynolds and W. C. Hall.

CENTRAL WESTERN STATES

Mutual Companies Hold Rally

Indiana Union Conducts Meeting — Maurice Douglas of Flat Rock Is Elected President

The Mutual Insurance Companies Union of Indiana met at Indianapolis last week. The ladies' auxiliary held a meeting, Mrs. Harry P. Cooper of Indianapolis being president. W. E. Clark of Fort Wayne, president of the company organization, presided at its meeting. H. L. Nowlin of Indianapolis was secretary and treasurer. Maurice Douglas of Flat Rock, Ind., the vice-president, was elected president; J. C. Wearley of Huntington, vice-president, and Glenna Watkins of Indianapolis, secretary and treasurer. Mr. Nowlin has served for over 30 years as secretary and treasurer and asked to be released. Directors elected were Jesse Johnson of Noblesville; M. L. Galbreath of Valparaiso; J. E. Hart, Booneville; T. A. Chively, Peru.

There were various subjects discussed with relation to farm mutuals. Insurance Commissioner Kidd gave a talk during one of the sessions.

The Indiana Mutual Fire & Cyclone, Indiana Union Mutual and Farmers Mutual Liability, all of Indianapolis, conducted an institute preceding the other meeting. A. H. Myers of Noblesville is president of the Indiana Mutual Fire. E. C. Mercer is president of the Indiana Mutual and Farmers Mutual Liability.

Farewell for Whitehouse

LANSING, MICH., Feb. 15.—Ralph L. Whitehouse, Lansing manager of the Underwriters Adjusting for the past three years, was given a farewell party by the Lansing Association of Insurance Agents. Mr. Whitehouse is transferred to Saginaw as manager there. The dinner was attended by more than 30 local agents and company men.

Mutuals Favor Standard Form

Michigan Association Meets — Want Licensed Agents—Seek Extension of R. F. C. Aid

LANSING, MICH., Feb. 15.—Carrying out a recommendation by Commissioner Livingston, members of the Michigan State Association of Mutual Insurance Companies at their biennial convention here voted to seek legislation establishing a uniform farm fire policy.

Repeal will also be asked of the present provision of the insurance code exempting agents of farm mutuals from licensing requirements. Licensing of the farm mutual representatives, it was agreed, would help to place the business on a higher plane.

It was also agreed that united opposition will be presented to the bill which would virtually repeal the "guest passenger" act and would permit suits against motorists by gratuitous passengers in cases of simple negligence. The association will also ask insertion of a specific exemption of mutuals from provisions of the administration's sales and gross income tax measure.

Congress will also be petitioned by the Michigan association, it was voted, to modify the law creating the Reconstruction Finance Corporation to provide for loans to farm mutuals on the security of a pledge of their assessments.

The farm mutual members of the association were chided by H. B. Corell, deputy commissioner, for failing to heed the warning of the department some years ago when they were advised to collect advance premiums. Present assessment difficulties would never have arisen under an advance-premium basis, he pointed out. Commissioner Livingston and C. V. Lane, assistant state fire marshal, also spoke.

Officers elected for the coming two years are as follows: President, H. T. Ross, Milford, Livingston County Farm-

LOYALTY GROUP

NEAL BASSETT, President
 JOHN R. COONEY, Vice Pres. ARCHIBALD KEMP, Vice Pres. HERBERT A. CLARK, Vice Pres. H. R. M. SMITH, Vice Pres.
 W. E. WOLLAEGER, Vice Pres. HERMAN AMBOS, Vice Pres. E. G. POTTER, 2d V. Pres. W. W. POTTER, 2d Vice Pres.
 WALTER J. SCHMIDT, 2d V. Pres. T. LEE TRIMBLE, 2d V. Pres. OLIN BROOKS, 2d V. Pres.

FIREMEN'S INSURANCE COMPANY OF NEWARK, NEW JERSEY

CAPITAL

\$ 9,397,690.00

Organized 1855

NEAL BASSETT, Chairman of Board

HENRY M. GRATZ, President

JOHN R. COONEY, Vice Pres. ARCHIBALD KEMP, Vice Pres. HERBERT A. CLARK, Vice Pres. H. R. M. SMITH, Vice Pres.
 W. E. WOLLAEGER, Vice Pres. HERMAN AMBOS, Vice Pres. E. G. POTTER, 2d Vice Pres. W. W. POTTER, 2d V. Pres.
 WALTER J. SCHMIDT, 2d V. Pres. T. LEE TRIMBLE, 2d V. Pres. OLIN BROOKS, 2d V. Pres.

THE GIRARD FIRE AND MARINE INSURANCE COMPANY

\$ 1,000,000.00

Organized 1853

NEAL BASSETT, President

JOHN R. COONEY, Vice Pres. ARCHIBALD KEMP, Vice Pres. HERBERT A. CLARK, Vice Pres. H. R. M. SMITH, Vice Pres.
 W. E. WOLLAEGER, Vice Pres. HERMAN AMBOS, Vice Pres. E. G. POTTER, 2d V. Pres. W. W. POTTER, 2d V. Pres.
 WALTER J. SCHMIDT, 2d V. Pres. T. LEE TRIMBLE, 2d V. Pres. OLIN BROOKS, 2d V. Pres.

THE MECHANICS INSURANCE COMPANY OF PHILADELPHIA

\$ 600,000.00

Organized 1854

NEAL BASSETT, President

JOHN R. COONEY, Vice Pres. ARCHIBALD KEMP, Vice Pres. HERBERT A. CLARK, Vice Pres. H. R. M. SMITH, Vice Pres.
 W. E. WOLLAEGER, Vice Pres. HERMAN AMBOS, Vice Pres. E. G. POTTER, 2d V. Pres. W. W. POTTER, 2d V. Pres.
 WALTER J. SCHMIDT, 2d V. Pres. T. LEE TRIMBLE, 2d V. Pres. OLIN BROOKS, 2d V. Pres.

NATIONAL-BEN FRANKLIN FIRE INSURANCE CO. OF PITTSBURGH, PA.

\$ 1,000,000.00

Organized 1866

NEAL BASSETT, President

JOHN R. COONEY, Vice Pres. ARCHIBALD KEMP, Vice Pres. HERBERT A. CLARK, Vice Pres. H. R. M. SMITH, Vice Pres.
 W. E. WOLLAEGER, Vice Pres. HERMAN AMBOS, Vice Pres. E. G. POTTER, 2d V. Pres. W. W. POTTER, 2d V. Pres.
 WALTER J. SCHMIDT, 2d V. Pres. T. LEE TRIMBLE, 2d V. Pres. OLIN BROOKS, 2d V. Pres.

SUPERIOR FIRE INSURANCE COMPANY

\$ 1,000,000.00

Organized 1871

NEAL BASSETT, Chairman of Board

W. E. WOLLAEGER, President JOHN R. COONEY, Vice Pres. ARCHIBALD KEMP, Vice Pres. HERBERT A. CLARK, Vice Pres.
 H. R. M. SMITH, Vice Pres. HERMAN AMBOS, Vice Pres. E. G. POTTER, 2d V. Pres. W. W. POTTER, 2d V. Pres.
 WALTER J. SCHMIDT, 2d V. Pres. T. LEE TRIMBLE, 2d V. Pres. OLIN BROOKS, 2d V. Pres.

THE CONCORDIA FIRE INSURANCE COMPANY OF MILWAUKEE

\$ 1,000,000.00

Organized 1870

CHARLES L. JACKMAN, President

JOHN R. COONEY, Vice Pres. ARCHIBALD KEMP, Vice Pres. HERBERT A. CLARK, Vice Pres. H. R. M. SMITH, Vice Pres.
 W. E. WOLLAEGER, Vice Pres. HERMAN AMBOS, Vice Pres. E. G. POTTER, 2d V. Pres. W. W. POTTER, 2d V. Pres.
 WALTER J. SCHMIDT, 2d V. Pres. T. LEE TRIMBLE, 2d V. Pres. OLIN BROOKS, 2d V. Pres.

THE CAPITAL FIRE INSURANCE COMPANY

\$ 300,000.00

Organized 1886

CHARLES L. JACKMAN, President

UNDERWRITERS FIRE INSURANCE CO. OF CONCORD, N. H.

\$ 100,000.00

Organized 1905

NEAL BASSETT, President

JOHN R. COONEY, Vice Pres. ARCHIBALD KEMP, Vice Pres. HERBERT A. CLARK, Vice Pres. H. R. M. SMITH, Vice Pres.
 W. E. WOLLAEGER, Vice Pres. HERMAN AMBOS, Vice Pres. E. G. POTTER, 2d V. Pres. W. W. POTTER, 2d V. Pres.
 WALTER J. SCHMIDT, 2d V. Pres. T. LEE TRIMBLE, 2d V. Pres. OLIN BROOKS, 2d V. Pres.

MILWAUKEE MECHANICS' INSURANCE COMPANY

\$ 2,000,000.00

Organized 1852

NEAL BASSETT, Chairman of Board

H. S. LANDERS, President J. C. HEYER, Vice President WINANT VAN WINKLE, Vice President JOHN R. COONEY, Vice President
 E. G. POTTER, 2d Vice Pres. E. R. HUNT, 3d Vice Pres. S. K. McCURE, 3d Vice Pres. T. A. SMITH, Jr., 3rd Vice Pres. F. J. ROAN, 3d Vice Pres.

THE METROPOLITAN CASUALTY INSURANCE COMPANY

\$ 1,000,000.00

OF NEW YORK

Organized 1874

NEAL BASSETT, Chairman of Board

H. S. LANDERS, President WINANT VAN WINKLE, Vice President J. C. HEYER, Vice President JOHN R. COONEY, Vice President
 E. G. POTTER, 2d Vice Pres. T. A. SMITH, 3d Vice Pres. FRANK J. ROAN, 3d Vice Pres. E. R. HUNT, 3d Vice Pres. S. K. McCURE, 3d Vice Pres.

COMMERCIAL CASUALTY INSURANCE COMPANY

\$ 1,000,000.00

Organized 1909

WESTERN DEPARTMENT
 844 Rush Street, Chicago, Illinois
 HERBERT A. CLARK, Vice President
 H. R. M. SMITH, Vice President
 JAMES SMITH, Secretary

CANADIAN DEPARTMENT
 461-467 Bay St., Toronto, Canada
 MASSIE & RENWICK, Ltd., Managers

EASTERN DEPARTMENT
 10 Park Place
 NEWARK, NEW JERSEY

PACIFIC DEPARTMENT
 220 Bush Street,
 San Francisco, California
 W. W. & E. G. POTTER, 2nd Vice Presidents
 FRED W. SULLIVAN, Secretary
SOUTH-WESTERN DEPARTMENT
 912 Commerce St., Dallas, Texas
 OLIN BROOKS, 2d Vice President
 BEN LEE BOYNTON, Res. Vice President
 A. C. MEEKER, Secretary

LOYAL TO PRINCIPLE - TO LOYAL AGENTS, LOYAL

ers Mutual, Howell; vice-president, W. J. Meyers, Cass County Farmers Mutual, Dowagiac; secretary-treasurer (re-elected), L. P. Dendel, Michigan Millers Mutual Fire, Lansing. Executive committeemen are: V. V. Moulton, Auto-Owners, Lansing; C. D. Leland, Three Rivers Farmers Mutual, Three Rivers, and E. A. Parker, Michigan Mutual Windstorm, Hastings. M. A. White, Fremont Mutual Fire, Fremont, was elected National association director.

Rickards and J. J. Hall to Address Mid-Year Meeting

Speakers at the semi-annual meeting of the Illinois Association of Insurance Agents in Springfield, March 9, will include E. L. Rickards, branch secretary of the National Automobile Underwriters Association, and John J. Hall, director of street and highway safety of the National Bureau of Casualty & Surety Underwriters. Mr. Rickards will probably acquaint the members with the certificate of title anti-theft bill, which is being introduced in the Illinois legislature, under the sponsorship of the Chicago Crime Commission. Automobile insurance executives feel that enactment of such a law will have a great corrective effect on the Chicago automobile

theft situation. Mr. Rickards has had much to do in framing this legislation.

Mr. Hall will probably speak in behalf of the automobile drivers' license bill, which has been introduced in Illinois.

C. M. Cartwright, managing editor of THE NATIONAL UNDERWRITER, will be toastmaster.

Peoria Agents' Legislative Dinner

The Peoria Insurance Agents Association is holding a dinner Friday of this week for the state senators and representatives in the district. At that time legislative matters, in which insurance people in Illinois are interested, will be brought out.

Four Plead Guilty to Arson

Four defendants in the "arson ring" case, on trial at Salem, Ill., involving an alleged plot to burn a furniture store in Centralia, Ill., last May, entered pleas of guilty. They were Charles Silver, owner of the store; Louis Boltzman, St. Louis, ex-convict, confessed "torch" of the arson ring, which has operated extensively in southern Illinois for several years; Jack Randall of Kansas City and Joseph Altman of St. Louis. All were given sentences of from one to ten years in the penitentiary. Morris Fen-

delman, St. Louis, public adjuster, indicted in the same case, will be tried in April.

The court paid high tribute to the work of the Illinois fire marshal, the St. Louis police department and investigators of the National Board in connection with the case. Confessions are said to have been made of participation in fires involving losses of more than \$600,000.

Form Mt. Pleasant-Clare Board

C. A. Carnahan of Mt. Pleasant, president General Agency Company and former member of the governing committee, Michigan Association of Insurance Agents, was elected president of the newly formed Mt. Pleasant-Clare Board, which has 15 members. R. D. Crapo, Crapo agency, is vice-president and Luman Burch, Burch & Stirling, secretary. The board has affiliated with the state association.

Riot Solicitation Stimulated

The solicitation of riot, strike and civil commotion insurance in Detroit was stimulated considerably by the strikes that have occurred there in several of the automobile and automobile body manufacturing plants. One of the con-

cerns which was in the midst of a strike was offered this coverage at three times the rate and was on the point of accepting the offer, when the strike was settled. Many of the automotive concerns in Michigan have been carrying this coverage for several years.

Indianapolis Loss Ratio Low

INDIANAPOLIS, Feb. 15.—Superintendent Curran of the Indianapolis salvage corps reports the gross fire loss in Indianapolis last year was \$434,676, with an insurance loss of \$398,961, a loss ratio of close to 25 percent. "This is the lowest loss record we have had in Indianapolis since the establishment of the salvage corps," Mr. Curran says. He gives much credit to the fire prevention educational campaign of eight years ago and since, and the fine cooperation of the fire prevention bureau of the Indianapolis fire department under Assistant Chief Lynch.

Michigan Notes

Mrs. Rosa M. Hennes, wife of Leo K. Hennes, prominent Detroit local agent, died there Feb. 10.

Robert Loughheed, chief engineer Michigan Inspection Bureau, was the principal speaker at the February meeting of the Michigan Fire Chiefs Association.

STATES OF THE NORTHWEST

Wisconsin Mutuals' Meeting

Two State-Wide Groups Reelect Executives at Annual Convention in Milwaukee

MADISON, WIS., Feb. 15.—George A. Jacobs, Citizens Mutual, Janesville, was reelected president of the Wisconsin Mutual Insurance Alliance at the annual meeting here. W. P. Doucette, Milwaukee, is vice-president and T. R. Schmidt, Kewaskum, secretary-treasurer.

The Wisconsin Association of Mutual Insurance Companies reelected all officers: F. A. Fredrich, Reedsville, president; W. A. McEwan, Milton Junction, vice-president, and A. J. Rammer, Sheboygan, secretary-treasurer.

The two groups recommended legislation for a standard farm mutual policy in Wisconsin, including a rebuilding clause, and a law to make the mortgagee responsible for at least one assessment in case the mortgagor-assured defaults. Legislation for a state inspector of fire losses of farm mutuals, to work under the state fire marshal, may also be asked.

Underwriting and administration problems were discussed, an interchange of experience on loss records taking up a large part of the discussion program. H. L. Ekern, former Wisconsin commissioner, and J. E. Kennedy, deputy insurance commissioner, took part in the discussions.

Commissioner Mortensen, speaking at the banquet, told of his stand on valuations, describing the Wisconsin requirements in this respect. The work of the Wisconsin department has increased 250 percent in the past 20 years, but it is now being done at less expense, the commissioner said. He also pointed out that the commissioner has no legislative or discretionary powers but must enforce the Wisconsin laws on insurance matters.

About 300 were in attendance.

Fred L. Gray Co. Expands

MINNEAPOLIS, Feb. 15.—The Fred L. Gray Co. of Minneapolis anticipates the biggest year in the history of its fire division, according to J. E. Reimann, vice-president and treasurer.

"Instead of cutting down on field activities, we are increasing our staff, and now have five field men traveling out of Minneapolis," Mr. Reimann says. "We have added 75 new agencies to our fire division in the last six months, and

have over 700 agents reporting to us in Minnesota, Iowa, northern Wisconsin and the upper peninsula of Michigan. Our fire general agency operations showed a 50 percent premium increase for January over that month last year."

Would Handle City Insurance

ROCHESTER, MINN., Feb. 15.—The Insurers Association of Rochester has proposed to the city council that it write all insurance on city owned property and distribute the business among its members. C. O. Brown, who submitted the proposal, estimates that the plan would save the city \$500 to \$1,000 annually. Mr. Brown suggested that a survey of city properties be made by the agents. There has been some dissatisfaction among city officials over the way city insurance has been handled.

Minnesota State Fund Bill

A bill has been introduced in the Minnesota legislature setting up a state fund to write fire and tornado insurance on all buildings owned by the state and all other political subdivisions, which would be mandatory on all cities except those in the first class, which includes only Minneapolis, St. Paul and Duluth.

Check on Wisconsin Licenses

MADISON, WIS., Feb. 15.—A check-up of agents' and solicitors' licenses is being made under direction of Commissioner Mortensen, before the opening of the new license year. It is reported that more than 50 persons in Milwaukee alone, who are soliciting insurance with the permission of the Milwaukee Board, have not complied with the license requirement of the Wisconsin law. Agencies which have accepted lines from the unlicensed solicitors are likewise involved.

Urges Cut in Fund Rate

F. E. Tunell, manager of the state fire and tornado fund of North Dakota, in his annual report advocates a further reduction in premium rates charged by the fund. He proposes that rates be fixed at 60 percent of the tariff promulgated by the General Inspection Bureau. Since July 1, 1931, rates have been 75 percent of bureau rates.

Mr. Tunell reports that the loss ratio of the fund was 39.8 percent last year

Good Advice

can often be
summed up
in one word
DONT.

When tempted
to follow
up a big con-
tact, remem-
ber—dont
neglect old
clients.



Will Wright

Field Correspondent.

THE YORKSHIRE
INSURANCE CO. LTD.
LONDON & PROVINCIAL
MARINE & GENERAL INS. CO. LTD.
SEA BOARD
FIRE & MARINE AND THE
YORKSHIRE
INDEMNITY CO. OF N.Y.

90 JOHN STREET - - NEW YORK CITY

on an earned basis. Operating expenses amounted to 6.1 percent of earned premiums.

The report recommends that the law be amended to require that both fire and tornado on all public property in the state be placed with the fund. As of Dec. 31, 1932, a surplus of \$1,563,262 is reported for the fund.

Blue Goose Hears Judge

MINNEAPOLIS, Feb. 15.—Judge Paul S. Carroll of the municipal court addressed the Minnesota Blue Goose this week on "Selection of Judges." Fifty were in attendance. R. L. Hanson, Liverpool & London & Globe, is in charge of the speakers committee for February. The annual mid-winter meeting of the Minnesota pond will be held Feb. 27.

Fifty couples attended the first annual informal dancing party of the pond last Monday evening.

County Drops Mutual Cover

JEFFERSON, WIS., Feb. 15.—Present insurance in mutuals and \$140,000 additional insurance to be taken by Jefferson county will be placed with local agents of stock companies. The county board decided to drop all mutual insurance. The insurance will be divided among four Watertown agencies, two at Fort Atkinson and one at Lake Mills.

Minnesota Losses Heavy

ST. PAUL, Feb. 15.—The year is starting off with heavy losses in Minnesota. More large fires have occurred in the smaller cities and towns of the state than in any recent year.

Two costly fires the past week destroyed the municipal auditorium at Thief River Falls, with an estimated loss of \$200,000, and a large mill at

Morristown, with property loss estimated at well above \$100,000 and insurance loss of \$40,000.

The February cold snap also brought the usual run of small house fires caused by over-heated stoves and furnaces.

Protest State Fund Move

EAU CLAIRE, WIS., Feb. 15.—Petitions with 217 signatures, protesting against the city council's decision to carry all city insurance with the state fire fund and asking the council to rescind its action, were presented at the last meeting. The signatures did not include the names of any local agents.

REJECTED AT WAUSAU

WAUSAU, WIS., Feb. 15.—The Marathon county board of supervisors has tabled a resolution favoring the transfer of insurance on county property to the state fund.

The report of the public property committee, which was adopted, said that the present plan of county insurance has been improved on for the last 10 years and the committee believes it would not be fair to upset this plan and deprive about 35 agencies of the income derived from the county insurance.

New Milwaukee Board Members

John C. Glanz and Edward Paik, both operating agencies in their own names, and A. L. Nuedling of Zingen & Braun were elected to membership in the Milwaukee Board at the monthly meeting.

Northwest Notes

Mrs. Carleton W. Kruse, whose husband conducts the Kruse Insurance Agency, Rochester, Minn., died Feb. 12.

Frank R. Daniel, chief engineer Fire Insurance Rating Bureau, Milwaukee, addressed the safety school at Ft. Atkinson, Wis., Friday evening on "Electrical Hazards Common to the Home and Shop."

answered numerous questions asked by agents present.

The commissioner fears the economy program of the legislature will seriously affect the efficiency of his department, through the loss of some of his most valuable assistants. He feels there should be an adjustment of salaries in all departments before the threatened 20 percent slash in all salaries is made. The department collected \$1,800,000 in taxes and fees the past year and operated on less than \$48,000, or 2.7 percent of the collections.

Allen Speaks to Insurers

WICHITA, KAN., Feb. 15.—Henry J. Allen, former United States senator and publisher Wichita "Beacon," spoke at the Wichita Insurers' meeting last week. Dwight Smith, Smith, Stone & Snyder Agency, explained the service the Wichita Insurers is giving in handling public insurance.

To Amend Hail Fund Law

LINCOLN, NEB., Feb. 15.—House and senate committees have reported out for passage bills permitting buyers of state hail fund insurance to pay pre-

miums by notes payable Oct. 1 of the year covered, to be a lien on the crops named in policies. The bill providing a revolving fund of \$100,000 to pay losses in full on state fund policies in years when these exceed premium receipts, an effort to restore the fund's lost popularity, was indefinitely postponed by the house.

Talks on Auto Claims

SIOUX CITY, IA., Feb. 15.—Attorney Paul M. Hatfield, who represents the Western Adjustment in litigation in this section, talked to the Sioux City Fire & Casualty Underwriters at their regular weekly meeting, citing insurance cases of interest which have reached the courts. Recently several claims under automobile theft policies have been made where some person has permitted another to use the owner's car, the car has been used for other purposes than expected by the owner and in some cases it was wrecked. Where the "wrongful conversion" clause has been used as defense, the plaintiff's attorney has asserted that that clause refers only to wrongful conversion, embezzlement or secretion by a mortgagor, vendee, lessee or other person in lawful possession of insured property under a mortgage, conditional sale, lease or other

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IN THE MISSOURI VALLEY

Approve Two of Hobbs' Bills Bars Incorporation of Note

Kansas Senate Committee Kills Four Department Measures—Provisions for Stricter Supervision Favored

TOPEKA, KAN., Feb. 15.—The Kansas legislature apparently is not taking kindly to the recommendations of the insurance department. Of Commissioner Hobbs' 12 measures, the senate committee reported favorably on two and killed four, the house not taking any action.

The two bills approved are the ones which give the insurance department strengthened powers over capital and reserve requirements of stock casualty and surety companies. One bill permits the commissioner to cancel the license of a company where it is shown the surplus has been reduced below the legal limits. The other bill requires that all stock companies organized in Kansas must have a minimum surplus of \$100,000 and if an accident and health company it must have \$100,000 capital and \$50,000 surplus.

The four bills killed by the committee are those relating to the surplus of mutual casualty companies, and raising the requirements; giving commissioner authority to regulate casualty and surety rates; raising to \$200,000 the surplus requirements for mutual companies writing compensation insurance; giving commissioner power to refuse licenses to companies when surplus or reserves are not up to legal limits.

The committee has also killed the senate bill which would require all companies doing business in Kansas to maintain a deposit of \$100,000 with the department as a guaranty that claims would be paid in full.

L. D. Thompson, former state auditor, has opened an agency at Jefferson City, Mo.

Nebraska Commissioner Won't Allow Hail Companies to Use Policies of That Type

Commissioner Herdman of Nebraska has directed all hail writing companies to withdraw the use of hail policies and applications containing a provision in note form for the payment of premium. Companies whose applications and policies contain such a provision for payment of premium must file new forms eliminating such provision. If the note is taken in payment of premium it must be a separate document.

Done Mainly by Mutuals

This ruling probably comes about because in the past a few mutual companies have attempted to incorporate a note in the application, thus making it a part of the policy. The stock companies, with but very few exceptions, have never followed this practice. The objection arises because the assured is caused to certify that he has no prior lien on the crop, ahead of the premium note, and if he does have such a lien, the policy is voided.

Iowa Commissioner Speaks Before Sioux City Groups

SIOUX CITY, IA., Feb. 15.—Commissioner E. W. Clark was the honor guest here at a joint luncheon meeting of the Sioux City Association of Life Underwriters and the Sioux City Fire & Casualty Underwriters, with 100 attending. C. R. Garrett, general agent Northwestern Mutual Life and president of the life underwriters, presided. Following an outline of the functions of his department, Commissioner Clark



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CHARLES E. DOX
Manager Western Dept.
CHICAGO, ILL.

WM. W. GILMORE
Manager
SAN FRANCISCO

contract, whether written or verbal. Hence when the car is wrongfully converted by persons not designated in this clause coverage should be granted. In one state it appears the court sustained this contention. Mr. Hatfield thinks this clause should be clarified. He thinks the payment by companies of so-called "nuisance damages" when an attorney appears for an automobile claimant, rather than go to court, is resulting in many wrongful claims being made. He believes the companies should associate themselves to resist these claims to the bitter end.

Would Permit Removing Officers

JEFFERSON CITY, MO., Feb. 15.—Future governors of Missouri would have the right to remove from office the superintendent of insurance and all other appointive officers on assuming office without formal charges or any hearing whatever, under a bill introduced in the senate.

Even if the bill should pass, it is believed Governor Park will permit present office holders to remain until the end of their terms, unless they resign. Superintendent Thompson's term expires June 30, 1933.

Christie Des Moines Chief

DES MOINES, Feb. 15.—At the annual meeting of the Des Moines Fire Underwriters Association, the following officers were elected: J. T. Christie, president; E. E. Crawford, R. L. Jester and S. W. Dorsey, vice-presidents, and W. Dailey, secretary-treasurer.

Mr. Christie succeeds Dan McEniry, who has completed three years' service as president. The officers constitute the executive committee.

Chester E. Ford, chairman of the legislative committee, reported on the proposed resident agent, agents' qualification, anti-rebate and anti-discrimination measures. Plans were discussed for a membership drive.

St. Louis Rule Difficulty

Some difficulty is being encountered in putting into effect the rule of the St. Louis Fire Underwriters Association, which was adopted the first of this year, that all members of a company group must belong to the board or must be outside the board. A few companies, which do not conform to that requirement, have not made a move to come into line, presumably taking the position that they have not been advised by their board agents, either to fish or cut bait. A few of the agents outside of the board are taking a somewhat belligerent attitude and the board is moving with caution. The dead-line for putting the rule into effect was supposed to have been Wednesday of this week, but further negotiations will be necessary.

Corcoran Blue Goose Speaker

DES MOINES, Feb. 15.—At Monday's meeting of the Iowa Blue Goose, H. J. Corcoran, engineer Iowa Insurance Service Bureau, spoke on "Co-operation between Local Agent and Fire Departments." He said there is a regrettable tendency today for towns and cities in economizing on municipal expense to start with the fire department, thus undermanning and underpaying.

National Board Men in Omaha

W. S. Rathbun of Chicago and W. L. Gage of Kansas City, representing the National Board, have been called to Omaha by Frank Stansberry of the Nebraska Inspection Bureau to investigate a series of fires in which explosions of one sort or another have figured. Within two days after their arrival the Millard hotel, once the city's leading hotel, burned, following a mysterious explosion, killing seven firemen and causing property loss of \$250,000. Mr. Rathbun escaped death only by seconds, while watching the department in action. County Attorney Beall has ordered an

investigation, declaring that the hotel fire was clearly incendiary in origin.

The National Board men are making a critical study of the operation, handling and personnel of the fire department, which has been criticized sharply because of heavy losses at recent fires.

Iowa Meeting Postponed

President W. A. Scherfe of the Iowa Association of Insurance Agents announces that the meeting of the executive and legislative committees, originally scheduled for Feb. 13-14 at Des Moines, has been postponed one week on account of weather conditions. It is expected that within a week the legislative committee will have a more extended report to make upon current insurance legislation. The meeting is now scheduled for Feb. 20-21.

President Scherfe spoke at a luncheon sponsored by the Davenport Fire Insurance Agents Association. Legislative matters, including the need for an agents' qualification law were discussed.

To Have Fire and Safety School

Under the auspices of the fire prevention department of the chamber of commerce of Topeka, Kan., the second annual fire and safety school will open Feb. 21. R. E. Verner of the Western Actuarial Bureau will inaugurate the school with a talk on "Sifting the Nation's Ash Heap."

Plan Kansas Fire School

Carl Lund, America Fore, farm special agent and president Oklahoma State Fire Prevention Association, will speak at the fire school in connection with the annual meeting of the Kansas State Firemen's Association in Wichita June 12-14. E. J. Stewart, chief engineer Kansas Inspection Bureau, is chairman of the fire school committee.

"Smoky" Rogers in Kansas

H. K. ("Smoky") Rogers of the Western Actuarial Bureau will be in Kansas March 28 to April 7. G. T. Fisher, president Salina Board, has arranged several meetings March 29. T. E. Welsh of the Oldroyd & Welsh agency, Arkansas City, has arranged a full day's schedule there on March 30. The rest of his time will be spent in Wichita.

Kansas Blue Goose Luncheon

A well attended Blue Goose luncheon was held Monday at Topeka. Curtman Maupin of the Home was chairman. Joe Springer of the Western Adjustment will preside next week.

Central Kansas Field Club

Thirty members were present at the meeting of the Central Kansas Field Men's Club in Wichita. Roy E. Eblen, president Central States Fire, and Fred Dillon, head of the auto theft division of the Wichita police department, were guests.

News of States in the Southwest

San Antonio Agency Changes

Wheeler-Gill Company Takes Over Richey, Casey & Wray—Gill Leaves Piper & Stiles to Join That Agency

SAN ANTONIO, TEX., Feb. 15.—The Wheeler-Gill Company has purchased the Richey, Casey & Wray agency, one of the oldest agencies in San Antonio. The firm of Piper, Stiles & Gill has been dissolved by the withdrawal of John J. Gill, who is now associated with the Wheeler-Gill Company as manager of the surety and casualty department. He has been in the business

for 20 years. W. L. Stiles will continue as manager of the Piper & Stiles agency. R. F. Watson, formerly with Richey, Casey & Wray, has been named manager of the surety department of the Texas General Agency. Mr. Watson was formerly with the United States Fidelity & Guaranty at Dallas, the Standard Accident at San Francisco and the Commercial Casualty at Portland.

Loss Committee Named

HOUSTON, TEX., Feb. 15.—A loss committee of five was named at a meeting of Houston field men. This committee is to act in an advisory capacity to correct irregularities in the handling of losses in southeast Texas. The members are:

W. E. Horton, Jr., Hartford Fire; James Cravens, Cravens, Dargan & Co.; Will S. Ellis, Liverpool & London & Globe; J. F. Nowlin, National of Hartford, and J. F. Gregg, America Fore.

Team System Effective

OKLAHOMA CITY, Feb. 15.—Since inaugurating the two-man team system of working out of larger cities of the states, the Oklahoma Association of Insurers has secured 60 new members, Secretary Mott M. Keys announced.

Texas Agents' Meeting

The annual meeting of the Texas Association of Insurance Agents will be held some time the latter part of May at Corpus Christi. The exact date has not yet been set.

Qualification Law Changes

OKLAHOMA CITY, Feb. 15.—Progress is being made toward enactment of amendments to the agents qualification law. The proposals have been approved by Commissioner Read and if approved

by the attorney general the bill will be introduced as a department measure. It provides for an examination of new applicants for license, clarifies the powers of the board in the granting and revocation of licenses, and fixes a fee to be paid by all agents, the proceeds to be used for the maintenance of the board and the expense of administering the law.

Stone Speaks at San Antonio

SAN ANTONIO, TEX., Feb. 15.—E. C. Stone, United States manager Employers Liability, spoke at the February meeting of the San Antonio Insurance Exchange on "An Underwriting Profit."

He pointed out the value of an intelligent, honest and loyal local agent to the company. Upon the work of the loyal local agents must depend the underwriting profit, says Mr. Stone, for the local agent knows the moral and physical hazards involved as no one else can know them, and he is in a position to protect both the assured and the company which underwrites the risk.

He also stressed the fact that the buyers of protection are today as never before asking for information concerning the company with which the local agent is placing the risk.

Greig Heads Waco Exchange

Rolla S. Greig was elected president of the Insurance Exchange of Waco, Tex., at the annual meeting. Hal V. Hays is vice-president and F. W. Pfaffle is secretary. Besides the officers, the other directors are: M. S. Brooks, Jr., J. S. Dumas, G. H. Belew and E. L. Humphreys.

K. A. Cramer in Chicago

K. A. Cramer, general agent in Oklahoma City for the American & Foreign and Western of Ontario, was in Chicago on a business trip last week.

IN THE SOUTHERN STATES

Consolidation Is Protested

Officials and Agents Pass Resolution for Maintenance of Separate Alabama Insurance Department

BIRMINGHAM, ALA., Feb. 15.—Executives of Birmingham fire, casualty and life companies adopted resolutions last week protesting against the bill introduced in the legislature to consolidate the state insurance department with the state banking department. The protest was joined in also by Charles L. Gandy, president of the National Association of Insurance Agents; Anglin White, president of the Birmingham Association of Insurance Agents; C. S. Wright, president of the Alabama Life Managers Association, and F. S. Chisolm, president, Birmingham Life Underwriters Association.

The protest is directed to the senate banking committee which is considering the bill and declares such a move would "set back the state's supervision over insurance companies for 50 years."

The resolutions were signed by Frank N. Julian, president Bankers Fire; F. D. Byrne, secretary Birmingham Fire; T. W. Wert, president American Life; F. P. Samford, vice-president Liberty National Life; S. F. Clabaugh, president Protective Life; A. H. Hoover, president Employers Insurance Company, and T. W. Lathrop, secretary-treasurer Southern Life & Health.

Similar resolutions have been adopted jointly by the Montgomery Life Underwriters Association and the Montgomery Fire Insurance Exchange.

Would Distribute Reserve Fund

AUGUSTA, GA., Feb. 15.—Over six years ago the Augusta Board formed a

cooperative agreement for writing public business such as city, county, board of education and state properties. The agreement was that any agent could solicit the business, provided half of the commission was paid into the board's special fund, which at the end of the year would be pro-rated to the entire membership. Before the distribution a 10 percent "kitty" was taken out and put into a reserve fund for future use. At the end of each year every member was notified of the interest he held in this fund and any new agent had to pay this amount on becoming a member of the board. This fund now amounts to over \$1,500 and there is a movement on foot to do away with it and distribute the money. Many of the agents who feel that this plan is an excellent way to hold the membership together will fight such action.

Georgia State Fund Killed

ATLANTA, Feb. 15.—Through the combined efforts of the legislative committee of the Georgia Association of Insurance Agents and the Atlanta local board, the two bills to provide a state fund for Georgia were killed in committee.

Report on Alabama Fund

MONTGOMERY, ALA., Feb. 15.—Pursuant to a resolution creating a joint legislative committee for a searching investigation of the state insurance fund, the state board of administration has just had prepared a condensed financial statement of the fund as of Feb. 1, 1933. It is stated the statement is the first one issued since the fund was created about nine years ago.

All state-owned buildings are covered by the fund at 60 percent of the regular stock company rate. Part of some of

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Associate Manager

Lawrence C. Larson
Superintendent of Agents

the larger risks is reinsured by the state in stock companies at the standard rate, the amount of such reinsurance being \$7,162,530 in a total of \$25,316,257 fire insurance. No tornado insurance has been reinsured. It totals \$24,808,167. Assets are listed as \$452,643 and surplus \$247,093.

Collections Still Sore Spot

BIRMINGHAM, ALA., Feb. 15.—Collections continue to be the sore spot with both agents and companies in the south with the possibility that Southeastern Underwriters Association may put into effect a stricter rule in reference to company balances. The matter has been under consideration for some time but no immediate action is expected. There is rumor that companies are considering a rule which would require agencies to remit balances 60 days old or else be closed out by united action

of companies interested after giving 10 days' additional notice. Under this plan special agents would act jointly under instructions from their companies.

Dickey on Southern Trip

ATLANTA, Feb. 15.—E. J. Dickey, vice-president of the Agricultural group, visited Atlanta, his old home town, recently. Mr. Dickey is in the midst of a tour of agencies in the southeast, including Florida, after which he will visit the gulf coast, New Orleans and Texas, returning home by way of Chicago.

"The towns and cities in the southeast look better than I had expected," he said. "The business men seem more encouraged and optimistic than in the east, and business already seems to be on the upturn. Atlanta looks busy to me, as it always did in the past. I think one reason is it is not a one-occupation town and there is more diversi-

fication here. I am inclined to think that I will find business improving all the way to Texas."

He will be away from his office about six weeks.

S. C. Meeting Plans

The annual meeting of the South Carolina Association of Insurance Agents will be held at Greenville some time in May, according to President William F. Robertson of Greenville. Preliminary arrangements only have been made.

Mississippi Agents' Meeting

The Mississippi Association of Insurance Agents will hold its annual meeting some time in June. The directors will meet in March or April to decide on the time and place.

Seek New Bern Improvement

About 20 representatives of the companies held a meeting with agents and city officials of New Bern, N. C., in an effort to improve the loss ratio in that city. During the past two years losses

amounting to \$250,000 have been paid in New Bern, while the premiums have been less than \$125,000.

Virginia Agents' Meeting

The annual meeting of the Virginia Association of Insurance Agents will be held at the Monticello hotel in Charlottesville, June 23-24.

Southern Notes

The Tennessee State Fire Prevention Association will inspect Covington March 8.

The Bodenheimer General Agency, New Orleans, has changed its name to J. H. Bodenheimer & Son, Inc.

Companies suffered an estimated 40 percent loss on a schedule of \$150,000 on the Commonwealth Club of Richmond, Va.

Woody & Wright, Petersburg, Va., have taken over the business of the Cuthbert Bros. agency of that city, recently placed in receivership.

James C. Tippens, for the past two years connected with the Tennessee Inspection bureau, has opened an agency in the Cotton States building in Nashville.

Pedne Johnson, vice-president of the Security of New Haven group, was in Atlanta last week. He will visit Tennessee and Kentucky before returning to New Haven.



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FIRE—TORNADO—AUTOMOBILE—INLAND MARINE

PACIFIC COAST AND MOUNTAIN

Oppose Oregon Revenue Bills

Company Men Protest Legislation
Which Would Increase Burdens
in That State

SALEM, ORE., Feb. 15.—At a legislative hearing here, company representatives registered vigorous opposition to proposed "revenue" measures which would add \$400,000 to the \$1,648,808 that insurance companies now pay biennially into the state general fund. They declared that the insurance companies are now paying 25 times the cost of regulation, that their taxes in Oregon are double the average in other states and that these charges are reflected directly in the cost of insurance to the policyholders.

Considerable opposition also developed against the agents' qualification bill. It was argued that a similar law had cost California approximately \$130,000 and that less than 50 percent of the agents had been examined.

There was no objection to the bill providing that the license fee for local agents be increased from \$3 to \$5. A bill providing for an annual license fee of \$500 for non-resident insurance brokers also was approved. The committee also considered favorably a bill relating to examination of domestic companies.

Iron Out Legislative Kinks

California Agents and Department
Agree on Most Points—Some Still
in Controversy

SAN FRANCISCO, Feb. 15.—The legislative committee of the California Association of Insurance Agents has held a number of informal conferences with the companies and insurance department representatives on proposed legislation, with particular reference to the amendments to the agency qualification law. There are a few points on which the department and the agents are still at variance in these amendments. Among these is the department's proposal to collect from the agents a fee of \$1 for each company represented in addition to the license fee of \$2 (which is raised from the present fee of \$1). The companies apparently do not take kindly to the proposal and the agents are also opposing the fee idea in a general way, pointing out that while they do not wish to reduce the income of the department, they feel that the number of companies in their offices would be reduced in order to

save the \$1 fee per company and that some of the smaller although financially strong companies might be discriminated against.

Eugene Battles of Los Angeles, past president California association, is chairman of the legislative committee, serving with H. R. Schroeter, Oakland; H. J. Thielen, Sacramento, and Francis Cutting, Stockton.

Report of Logging Pool

A loss ratio of 23.62 percent and net profit of 43.17 percent is shown by the Logging Underwriting & Inspection Association for the three-year period 1930 to 1932. Premiums written during that period totaled \$135,172.06, with losses of \$31,930.96. Expense ratio for the period was 18.21 percent. This is the pool for writing standing timber in the Pacific Northwest.

Kessler Returns to Old Job

J. P. Kessler has become agent of the Los Angeles branch of Balfour-Kessler Agencies, Inc. Mr. Kessler held this position prior to becoming Pacific Coast manager at San Francisco for the Constitution Indemnity in 1927. In 1930 he became Pacific Coast manager for the United States Casualty, which position he held until the company discontinued its branch offices in California.

Harrington Is Nominated

LOS ANGELES, Feb. 15.—At the last meeting of the Special Agents Association of the Pacific Southwest, S. L. Harrington was nominated for president with J. T. Brocksieper, special agent America Fore, as vice-president, and C. E. Curry, manager Henley & Scott agency at Los Angeles, was recommended for reelection as secretary-treasurer. The election will be held next month.

Amendment to Rules Proposed

DENVER, Feb. 15.—The Mountain Field Club will submit to the supervisory committee of the Rocky Mountain Fire Underwriters Association for its approval a proposal to amend its rules looking to the consolidation of its old loss committee with a new committee appointed to sit with the advisory committee of the Fire Companies Adjustment Bureau.

Hal Van Gilder, local agent, explained to the club an agents' qualification bill introduced in the legislature at his request. It would raise the brokers' license fee from \$10 to \$25. A \$10 li-

cense fee is proposed for each agent and solicitor, which would cover representation of all companies in an agency. A fee of \$2 is now paid by each company for its agents. Examinations would be conducted by the insurance commissioner. The club instructed President Beck to appoint a committee to study the measure.

Tacoma Exchange Elects

A. B. Comfort has been elected president of the Tacoma (Wash.) Insurance Exchange; L. D. Mitchell, vice-president, and George E. Harris, reelected secretary-treasurer. New trustees are O. B. Gilmore, A. H. Bassett, C. L. Staack, Earl Brantner and Clarence Langlow.

Valued Policy Bill Killed

The valued policy bill, proposed in the Wyoming legislature, has been killed in the house.

Beebe Made Regional Chairman

W. H. Menn, president California Association of Insurance Agents, has appointed M. E. Beebe of Anaheim as regional chairman in charge of district No. 8, comprising the southern half of the state. All other regional chairmen had already been announced.

Eastern States Activities

Incendiary Losses Reduced

Action Taken at Chelsea and Haverhill, Mass. Is Now Showing Some Results

The National Fire Protection Association states that the campaign to reduce incendiary fires in Chelsea, Mass., which has been carried on by the chamber of commerce, has resulted in a marked decrease in such losses during the past six months. A police detective has been assigned to work with the fire prevention bureau in investigation work.

The association says that incendiary fires at Haverhill, Mass., are being successfully prevented by a system of night patrol of the business district by members of the fire department. A new building code will soon be submitted for adoption. The city is endeavoring to eliminate a number of old, dilapidated buildings which are regarded as conflagration breeders. During the last two years 160 such buildings have been razed.

At Peabody, Mass., the engineers report that private fire protection in the business district has been greatly increased. A new building code is being developed. The fire department is still undermanned.

Father, Son Have Medals

When a 25-year service medal was presented recently by the Continental to F. W. Ide of Creston, Ia., it was recalled that his father, George A. Ide, received such an award in 1915. This was believed to be the only case where father and son have received such recognition from the Continental. Now it developed that James Dixon of Easton, Md., received a 25-year medal in 1931, and his father, Robert C. Dixon, received the medal in 1916.

Rochester Board Speakers

Ray F. Fowler, district attorney for Monroe county, is delivering an address, "My Experiences with Crime, Criminals and Crooks" before the meeting of the Underwriters Board of Rochester, N. Y., Thursday of this week. Mr. Fowler has been active in combating arson and fake accident rackets. Assistant District Attorney B. E. Moore, who has also

Miller Is Candidate for California Commissioner

W. L. Miller of Los Angeles has announced his candidacy for appointment as California insurance commissioner at expiration of the term of E. Forrest Mitchell, incumbent, on April 30. Mr. Miller has the endorsement of both the California Association of Insurance Agents and the Insurance Exchange of Los Angeles, and is an experienced insurance man, having entered the business at San Francisco several years ago with the Pacific Board. Later he was connected with the San Francisco brokerage firm of Hall & Rambo, subsequently engaging in special agency work for the Aetna Fire. He left the Aetna to become southern California manager for the Carl N. Corwin general agency of San Francisco, resigning a year or so ago to enter local agency work with the Robinson-Williams Company of Long Beach. For the past few months he has conducted a local agency in Los Angeles under his own name.

been active in this work, will also be on hand for the luncheon.

At the meeting Feb. 22, the speaker will be Dr. Cecil K. Drinker of Harvard university, who will talk about silicosis and its relation to compensation insurance.

The weekly round table conferences of the Underwriters Board were resumed last Monday under the chairmanship of George Dietrich.

Downs Outlines Insurance Bills

BOSTON, Feb. 15.—At the Insurance Federation of Massachusetts annual meeting last week John W. Downs, general counsel, outlined the 158 bills affecting insurance filed in the Massachusetts legislature.

Rev. J. N. Mark gave an inspirational address, Commissioner Merton L. Brown was introduced and a historical review of the early days of the federation was given by H. E. Moore, its organizer, A. A. Lawson and J. H. Carney.

A. W. Burke was reelected president and Mary A. Blackburn, secretary-treasurer. Thirty vice-presidents, representing various sections of the state, and directors were elected.

N. J. Fire Losses Drop

NEWARK, Feb. 15.—New Jersey fire losses for January are estimated at \$435,000, a decrease of \$27,000 for the same month in 1932. There was a slight increase in dwelling losses but a decrease in mercantile risks.

Motor Insurance Events

New Auto Cancellation Form

Ordinary First Class Mail Is Used by Agents of London Assurance in Sending Notice

Walter Meiss, manager of the automobile departments of the London, Manhattan Fire & Marine, and Union of Paris, and Joseph Greenhill, attorney for the companies, have designed a new automobile cancellation notice which is in accordance with recent court decisions and which they hope will permanently dispose of the problem of when a policy is canceled and when it isn't.

Automobile policies provide that "notice of cancellation mailed to the address of the assured stated in this policy shall be sufficient notice." Several recent decisions have pointed out that if a company uses registered notices, where the policy does not require it, the company

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assumes responsibility, by so doing, for accomplishing actual delivery of the notice. This may often make considerable unnecessary trouble for the agent and the company. It costs four or five times as much to send notices by registered mail rather than by ordinary first class mail, as this new notice will be sent.

It is essential to have proof that the notice was properly mailed to the assured. This proof is obtained through the U. S. postoffice receipt, form 3817, and an affidavit signed by the person mailing the notice.

Two Forms Not Needed

There is no reason why there should be two automobile cancellation forms, one for non-payment of premium and another where a return premium will be due, providing the notice complies with the mandatory policy condition that "notice of cancellation shall state that the excess of paid premium above the pro-rata premium for the expired term, if not tendered, will be refunded on demand." There is no option, this clause must be part and parcel of the cancellation notice. The policy does not require that the reason for canceling be stated nor should a notice for non-payment be a dunning letter.

The instructions which the companies are sending to their agents with the new notices read, in part:

1. Get from your postoffice a supply of receipt forms 3817.
2. Fill out the cancellation notice in triplicate (as furnished) being careful to insert correct policy number, name and address of assured, and data as called for, exactly as shown in policy.
3. Carefully check notice, sign all copies, insert original in window envelope (furnished) and seal. Attach necessary first class postage. Counsel advises against a "corner card" on the cancellation notice envelope unless your postoffice requires it on a "window" envelope. Such corner card, where used, should consist only of your name and address. In no event should "Return in

five days" or any similar limitation be used.

4. Fill out form 3817. Attach a 1-cent stamp. Clip completed form 3817 to envelope containing cancellation notice. Present at postoffice where clerk will compare the two and if in agreement will cancel stamp on form 3817 and return it to you.

5. Attach the receipted form 3817 to the company's copy of the cancellation notice, complete the certification and mail promptly to company.

How the Notice Reads

The new notice reads:
The London Assurance Corporation hereby gives you notice in accordance with the policy conditions of the cancellation of its Automobile Policy No. issued through its agency to

By virtue of this notice, as issued to you, the policy will be cancelled and all liability of the London Assurance Corporation under said policy will cease at and from midnight standard time. 193. without further notice.

If the premium has been paid, the excess of paid premium above the pro-rata premium for the expired term, if not tendered to you herein, will be refunded on demand.

If the premium has not been paid, a bill for the premium earned to the time of cancellation will be forwarded in due course.

There is space for attaching the post-office receipt to the company's copy and affidavits of mailing of the original are on both the company's and the agent's copy.

Senff to Enforce Fleet Ruling

LOUISVILLE, Feb. 15.—Commissioner Senff has announced that he plans rigid enforcement of a ruling made three years ago by the department forbidding private cars from being insured in fleets of employers. There have been numerous complaints recently of violations of the ruling.

Collection Rule of Chicago Board Explained by Glidden

(CONTINUED FROM PAGE 4)

which premiums were collected, and then to work out a program of repayment, applying pressure if necessary.

The rule requiring class 1 members to report all delinquents is mandatory. Regarding twisting of policies—the free insurance evil which exists to some extent in Chicago territory—the Chicago Board is now requiring members to report all policies carrying premiums of \$10 or more in force 60 days and canceled flat. This rule also is mandatory and violation involves penalty.

Cost of Policy Writing

President Yager pointed out that it has been estimated the cost of issuing a fire policy ranges from \$1.75 to \$2.25 and about four-fifths of the business of any office in Chicago territory consists of brokerage. With the supervising agent getting a total of 35 percent and paying 25 percent commission, leaving only 10 percent net plus a slight contingent commission which is estimated to average about 1 percent, the supervising office on a \$15 premium nets only around \$1.50, or actually sustains a loss in writing the policy. He said the full commission on direct business done by a supervising office is not sufficient to cover losses thus sustained in writing brokerage and this was one of the principal reasons for the \$1 rule. Banks make a service charge for handling checking accounts of small size, he said, and the Chicago Title & Trust Co. regularly charges \$5 for endorsing loss drafts where there is a mortgagee interest and the trust company was named jointly with the insured.

A service charge has been in operation on fire policies in Springfield, Ill., since 1924, Mr. Yager said, and similarly for many years in Canton, O., Los Angeles and other places.

Plans for managers' night of the field club to be held in March were sent out by President F. B. Ingledew. Wallace Butterworth, NBC announcer, talked on chain broadcasting. The club has selected Harvey as the site of its annual

inspection. There will be a demonstration run put on by the fire department, prize competition for best trimmed windows and many activities of civic organizations.

Garfield W. Brown Made President

(CONTINUED FROM PAGE 3)

Safford, executive vice-president, Western & Southern Indemnity of Cincinnati, O.; Gustav Lindquist, former superintendent of insurance for Minnesota, now connected with the Equitable Life of New York, and G. W. Wells, another former Minnesota commissioner and now secretary Northwestern National Life of Minneapolis.

Commissioner Brown was born at Pipestone, Minn., March 16, 1881. He was educated at the University of Minnesota, receiving his law degree there. He practiced law from 1906 to 1921. He was a member of the Minnesota legislature from 1911 to 1913. He served as judge of probate court except when he was in the war. He was state public examiner from 1921 to 1928 and was appointed insurance commissioner Oct. 15, 1928.

Fire Premiums in 1932 Are Presented by Lines

(CONTINUED FROM PAGE 5)

General of America		
	Premiums	Losses
Fire	\$2,240,105	\$ 589,216
Ocean Marine	21	15
Motor Vehicle	358,208	133,074
Earthquake	21,438	.....
Inland Marine	28,107	4,087
Tornado-Windstorm	209,405	17,038
Sprinkler Leakage	2,775	9,978
Riot and Explosion	5,634	1,865
Total	\$2,865,697	\$ 755,277

Central Fire, Md.		
Fire	\$ 682,977	\$ 359,444
Motor Vehicle	104,311	31,921
Earthquake	1,225	.....
Inland Marine	939	1,179
Windstorm	42,630	11,168
Hail, Rain & Flood	6,656	3,895
Sprinkler	2,893	1,369
Riot & Explosion	11,889	1,657
Aircraft & Auto P. D.	610	103

Yorkshire		
Fire	\$1,516,418	\$ 957,185
Motor Vehicle	236,680	159,815
Earthquake	3,399	.....
Inland Marine	27,288	30,425
Tornado-Windstorm	92,816	22,460
Hail	580	—163
Sprinkler Leakage	4,015	961
Riot and Explosion	6,886	322
Aircraft	105	58

Farmers Fire, Pa.		
Fire	\$ 674,581	\$ 343,348
Tornado-Windstorm	14,198	1,510
Sprinkler Leakage	1,242	630
Riot and Explosion	1,784	67

National Reserve, In.		
Fire	\$ 903,811	\$ 615,396
Motor Vehicle	22,929	22,872
Earthquake	1,951	.....
Tornado-Windstorm	51,225	10,477
Sprinkler Leakage	404	6

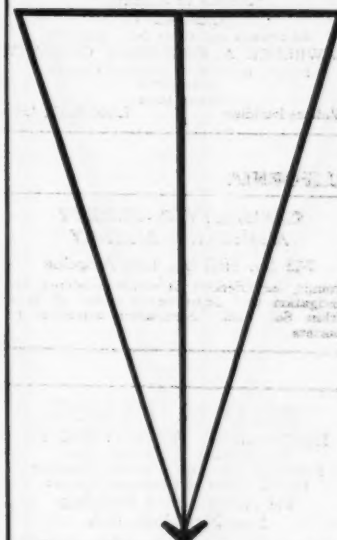
Inter-Ocean Reinsurance		
Fire	\$1,394,588	\$ 828,916
Motor Vehicle	315,295	198,179
Earthquake	2,319	.....
Inland Marine	10,124	4,663
Tornado-Windstorm	306,708	80,380
Hail	288,413	124,623
Sprinkler Leakage	3,623	815
Riot and Explosion	4,649	2,216
Aircraft	63	.....

Dubuque Fire & Marine		
Fire	\$1,682,535	\$ 903,100
Motor Vehicle	139,178	57,654
Earthquake	3,039	.....
Tornado-Windstorm	130,538	30,695
Sprinkler Leakage	1,530	533

American Auto Fire		
Motor Vehicle	\$2,493,507	\$1,083,600
Fire	\$ 119,058	\$ 98,038

Petersburg, Va.		
Fire	\$ 46,809	\$ 15,834

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MILWAUKEE, WIS.

Michigan Agents
Meet at Lansing

(CONTINUED FROM PAGE 5)

quarters on the ground that some of his efforts in behalf of the agents expressed merely personal wishes, was voted the confidence of the association.

The governing committee discussed a plan for maintaining membership under which local boards will be charged with responsibility for membership and dues collection not only in their home cities but in the surrounding territory. Action on the proposal, however, has been deferred.

The council of local boards held its second meeting and elected Carl Hallberg, Muskegon, president; Harry Mawrey, Kalamazoo, secretary, and G. Earl McVoy and George Bickle executive committee members. W. N. Achenbach, Chicago western manager of the Aetna Fire, was a guest at the luncheon.

Discussion of legislative matters and fraternizing between company men and agents occupied most of the time following the informal dinner Monday evening, attended by about 75 agents, field men and department officials.

A high tribute to the efficiency of the present department, headed by Commissioner Livingston, was paid by Stanley Risk, prominent Muskegon agent, who as a Democrat has been frequently mentioned as a possible successor to the present commissioner.

Ralph Wade, second deputy commissioner, and Joseph Reault, actuary and chief examiner of the department, spoke briefly and answered questions put by the agents.

Urges Legislation Aid

Clyde B. Smith, former president National association, urged that all friends of sound insurance cooperate in combating the flood of detrimental bills which are being introduced in the Michigan legislature. The sales and gross income tax measure sponsored by Governor Comstock was denounced in its present form. Michigan companies and agencies would be forced to pay a levy of 3 percent on their gross income, less a \$4,800 annual exemption. Such a tax, it was emphasized, would be apt to drive many large agencies into bankruptcy under present conditions.

Surety Legislation Needed

Mr. Smith emphasized the need for adequate legislation to correct the present situation in which small surety companies are allowed to assume almost unlimited liability for governmental deposits in banks and trust companies.

Mr. Wade explained that the department is framing a bill which will take care of this situation by limiting the net retention of depository bond business to a small percentage of the capital and surplus of the carrier. The New York statute on this subject is being copied, Mr. Wade said, and suggestions of the agents of company men for any improvement on this law were solicited.

Back George Carter

George Bickle, Grand Rapids, chairman of the Michigan Council of Local Boards, called a conference of this organization at which it was agreed to stand solidly behind George Carter, Detroit agent, chairman of the state association conference committee and the Michigan National association executive committeeman, in his negotiation with company representatives. The company men, in several instances, have caustically criticized Mr. Carter, contending that his activities were not representative of the Michigan association's wishes but of his own personal interests. Association leaders say that he has consulted the governing committee on all matters affecting the companies and that his representations to them have been true reflections of agency sentiments.

Some of the agents who spoke at the dinner were bitterly critical of some of

Michigan Holiday
Affects Insurance

(CONTINUED FROM PAGE 3)

igan. The Michigan Life is issuing checks as usual, subject to cashing at the end of the moratorium. L. T. Hands, general manager, believes there will be no increase in the demand for policy loans because of the moratorium. President S. A. Lambert, of the Agricultural Life, will continue to issue checks to meet obligations as they arise against the tied-up funds of the company in local banks.

A letter went out Tuesday from the Detroit Fire & Marine under the signature of President W. H. Koop, to the agency force, reading in part as follows: "This holiday period will not interfere with the payment of loss claims. All loss drafts issued within these dates will be drawn on our New York office and payable in New York funds."

Central West Casualty

The Central West Casualty and Wayne Surety are not inconvenienced, says Hal H. Smith, Jr., secretary-treasurer. The company's obligations are being met promptly with checks against funds on deposit outside of Michigan. The Standard Accident is suffering no ill effects, says Charles C. Bowen, vice-president and secretary, beyond the inconvenience of being unable to handle the banking in the usual way. The company has made arrangements to care for claim payments from funds on deposit in banks elsewhere about the country. The company had nothing on deposit with the Union Guardian Group, whose difficulties precipitated the moratorium, nor has it any depository bonds guaranteeing the funds of this institution.

The Federal Life & Casualty, too, has sufficient assets outside of Michigan to carry it over the moratorium period. Agents have been instructed to take up checks written prior to the announcement of the moratorium and the company will replace them with those that are immediately cashable, says President V. D. Cliff.

Michigan representatives of non-Michigan insurance organizations—branch offices, general agents, local agents, etc.—telephoned and wired their principals for immediate dispatch of cash. Much of this money came from Chicago in \$1,000 and \$2,000 lots.

Fire and casualty companies fear that the moratorium will result in bringing to the front a new batch of balance difficulties. Balances due Feb. 15, of course, were not met, unless they had been met prior to the moratorium.

ROYAL-LIVERPOOL ACTION

NEW YORK, Feb. 15.—Because of the Michigan bank holiday, the Royal-Liverpool group has arranged to send sufficient currency to Detroit to pay Michigan claimants holding loss drafts, loss checks, or other evidences of indebtedness which they may hold from those companies, United States Manager Harold Warner has announced. Disbursement of funds will be under the supervision of Chief Auditor Hugh Thompson, who will make his headquarters at the Hotel Statler, Detroit. Post-office money orders will be substituted for claim checks, etc., on request to accommodate those living at a distance from Detroit. Since a single postoffice money order is limited to \$100, more than one money order will be issued for larger amounts. Those desiring money orders are requested to forward to the New York office their checks or other evidence of indebtedness.

the recent fire company rule changes, particularly the vacancy and other insurance permit changes. It was contended that the additional hazard is but a small fraction of the amount of the extra charge.

REED'S new book, "Adjustment of Fire Losses," is a comprehensive account of the methods to be followed in the adjusters work from start to finish. Single copy \$4. Order from The National Underwriter.

Here's a
January record—



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The National Underwriter

February 16, 1933

CASUALTY AND SURETY SECTION

Page Twenty-nine

Occupational Risk Plan Is Modified

National Compensation Council
Sends Out Revised Schedule
Effective Feb. 28

COVERAGE NOW OPTIONAL

Specific Phraseology for Endorsements
Including or Excluding Hazard Is
Recommended

A revised occupational disease program has been approved by the National Council on Compensation Insurance. This is being filed in the various states for approval, with recommendation that it become effective Feb. 28 on new and renewal policies.

On that date, in any event it will be in effect in Alaska, Connecticut, District of Columbia, Idaho, Illinois, Indiana, Iowa, Louisiana, Michigan, Montana, Nebraska, New Mexico, Rhode Island and all jurisdictions in which the United States longshoremen's act governs. The revised program and rates are advisory only in Iowa, Nebraska and Indiana.

Recommend Endorsements

Specific phraseologies are recommended by the special committee on occupational diseases for endorsements to be used in excluding and including the diseases under paragraph 1b of the standard workmen's compensation and employers' liability policy.

In states where all occupational diseases are compensable under state compensation laws or by court interpretation (Connecticut, District of Columbia and under the U. S. longshoremen's act) the coverage will be provided by paragraph 1a of the standard policy, limited only by provisions of the compensation law.

In these states rates for all classifications on the state rate sheets include occupational disease coverage and an element of 1 cent per \$100 of payroll to cover the general occupational disease hazard. For specific occupational disease because of raw materials, processes or products normally involved in such classifications, there is a specific loading which may be removed on certain classifications with the approval of the board or bureau having jurisdiction if this special hazard does not exist in a particular risk. A supplemental occupational disease loading may be added to the rate for any individual risk where the occupational disease hazard is abnormal.

Endorsement Required

In states where occupational diseases are not under the compensation law, namely Alaska, Idaho, Indiana, Iowa, Louisiana, Michigan, Montana, Nebraska, New Mexico and Rhode Island, every standard policy must be endorsed. The suggested endorsements are: 1. Eliminating all obligations of the carrier to indemnify employer against loss on account of claims arising from occu-

Interest in the Movement to Help Real Estate Bonds

PLAN OF REFINANCING IS UP

Scheme to Organize a \$10,000,000 Corporation to Assist as Guaranteed Maturities Arise

Evidently a movement is on hand fostered by New York City bankers to form a corporation to assist in the refinancing of maturing guaranteed mortgages. Some of the surety companies guaranteed principal and interest of real estate bonds and many of these are decidedly frozen. Plans for the new concern call for capital of \$10,000,000 and in addition a substantial amount of credit from the Reconstruction Finance Corporation. It is the hope of the sponsors of the new institution that it will stimulate the rehabilitation of the real estate mortgage situation, thus averting losses that will prove staggering. The corporation is expected to fill the gap between the face amount of the maturing mortgages and the amount at which they can be refunded on the basis of 60 percent of current appraisals. No surety company is now writing this business but at one time it amounted to a considerable sum, although but few companies engaged in it to any extent.

occupational disease under paragraph 1b of the policy; 2. obligating the carrier to indemnify against such loss, subject to limitations as follows: a. No policy to be written for limits below the standard limits; basic charge for coverage under paragraph 1b provides for standard limits of \$5,000 on account of occupational disease suffered by any one employee and subject to such limits with respect to each such employee, to \$25,000 on account of all occupational disease suffered during the term of the policy, not exceeding 12 months; b. if higher limits are desired, the occupational disease rate to be increased by certain percentages.

Loading if Cover Desired

In these states rates do not include occupational disease coverage. If the policy is endorsed obligating the carrier for this liability, a separate and distinct occupational disease rate is to be applied to the entire payroll for each classification. A 1 cent element is contained in all rates to cover the general hazard. There is also provided a specific occupational disease element and provision

(CONTINUED ON PAGE 34)

R. F. C. Collateral Value Increases by \$900,000

One of the casualty companies, which received a loan from the Reconstruction Finance Corporation last summer rather than make the sacrifice of selling securities to get cash, reports that the assets pledged as collateral for the loan have increased in value about \$900,000 since that time.

Lloyds of America Elects Livingston as President

TO RESIGN AS COMMISSIONER

Michigan Official Is Choice of Barnes and Cohen for Head of Casualty Company

Commissioner Charles D. Livingston, one of the most popular men in the ranks of the state officials, will be elected president of Lloyds of America Feb. 20. He will resign as Michigan commissioner as of that date.

The position of president of Lloyds has been left vacant, since that company was formed in the consolidation of Lloyds Casualty, Constitution Indemnity and Detroit Fidelity & Surety. Julius Barnes and Frank Cohen, who control Lloyds, were seeking a man of outstanding reputation for the presidency and they found him in Mr. Livingston.

Mr. Livingston, before becoming commissioner, was supervising general agent in Michigan for the Royal Exchange Assurance. He had 25 years insurance experience as local agent, rater, special agent, state agent and general agent.

Was Commissioners' President

Mr. Livingston was appointed insurance commissioner in 1927 and was reappointed in 1931. He served as president of the National Convention of Insurance Commissioners from 1931-32. He has been warmly regarded by insurance officials and fellow commissioners.

Lloyds of America, in its 1932 annual statement, reports assets \$8,951,253, including bonds \$2,805,450, preferred and common stocks \$1,623,709, cash \$405,742, first mortgage loans \$1,044,844, real estate \$772,792, premiums in course of collection \$939,124.

Loss reserve amounts to \$4,035,529, premium reserve \$1,808,795, contingency reserve \$461,883, capital \$1,000,000, net surplus \$1,000,000.

Aetna Life Promotions

Dr. J. E. Root, medical director of the Aetna Life, was made honorary medical director Tuesday and Dr. Donald B. Cragin, associate medical director, was named his successor. Stanley Withe was named manager of the accident and liability publicity department. J. C. Duncan and B. P. Fleuret were appointed assistant comptrollers. All other officers and directors were reelected, as were those of the Aetna Casualty and Automobile of Hartford.

Reinsurance Bureau Elects

NEW YORK, Feb. 15.—A. Duncan Reid, president Globe Indemnity, was reelected president of the Workmen's Compensation Reinsurance Bureau at the annual meeting yesterday. All other officers were reelected.

Burke Is Made President

The Massachusetts Casualty Underwriters Association at Boston has elected A. W. Burke, president; E. J. O'Neil, vice-president; E. M. Peabody, secretary-treasurer, and W. C. Small, chairman executive committee.

Bureau Reelects Rogers Chairman

Accident and Health Governing Organization Holds Its Annual Meeting

REPORT ON NEW PROGRAM

Efforts Toward Greater Uniformity in Underwriting Meet with Marked Success

NEW YORK, Feb. 15.—At the annual meeting of the Bureau of Personal Accident & Health Underwriters, Paul H. Rogers, Massachusetts Bonding, was reelected chairman of the governing committee and the following companies were elected as members of the governing committee: Aetna Life, Connecticut General Life, Continental Casualty, Globe Indemnity, Maryland Casualty, Preferred Accident, General Accident, Standard Accident, Travelers and United States Casualty. F. Robertson Jones was reelected secretary-treasurer.

The meeting was especially well attended, 39 companies being represented by 49 delegates, including a number of chief executives. Harold R. Gordon, executive secretary Health & Accident Underwriters Conference, was also present by invitation.

The secretary's report called attention to the fact that 32 companies are now following the revised program for improvement of various phases of the accident and health business, initiated last year, representing 64 percent of the entire membership in number, with a premium income in 1931 of over \$54,000,000. He reported that the first year's operation of the plan had proved very satisfactory.

Many Attempts Made in Past

Chairman Rogers gave a general review of the activities of the bureau and the effect of the constructive development of the bureau program. He said that this program was, in effect, a culmination of numerous attempts dating back over many years. He stressed the point that as far back as 1918 a similar movement was initiated which, had it succeeded, would have been of great benefit to the business as a whole. Other attempts were made from time to time which finally led to success last year.

He also called attention to the growing use of the bureau as a forum for discussion of problems of common interest and emphasized the importance of the statistical work it has undertaken. The program provides that companies shall pool their statistics in order to have available the most complete information possible. This accumulation of experience is now well under way and the bureau is rapidly acquiring data which will continuously furnish a scientific

(CONTINUED ON PAGE 34)

San Francisco A. & H. Club Holds First Sales Congress

STRESS UNDERWRITING, SALES

Notable Addresses Given by Leaders in Business—Approximately 400 in Attendance

SAN FRANCISCO, Feb. 15.—The first annual sales congress of the Accident & Health Club of San Francisco, with about 400 in attendance, took up many underwriting questions, as well as sales methods.

In discussing "Policy Provisions," Bert R. Jones, Maryland Casualty, referred to the benefits of the standardization movement launched last year. He explained the principal policy provisions, including principal sum or death benefit, dismemberment benefits, weekly indemnity, additional coverage, the standard provisions and the additional provisions under the average accident form.

Selection of Risks Stressed

George Johnson, United States Fidelity & Guaranty, stressed the necessity for proper selection of risks. "There are," he said, "so many potential buyers that can measure up to the ordinary underwriting requirements of the various companies, that it seems a foolish waste of time and money to expound the value of insurance to those who cannot get it even if they do want it."

He urged observation and deduction in sizing up a risk. The ideal ages, he said, are from about 25 to about 55. Nationality or race, occupation, physical condition and moral hazard, were stressed as important factors in selection.

"I knew of no insurance company that will write a policy to reimburse a salesman for time wasted," he said.

G. W. Kemper, Great American Indemnity, stressed the importance of proper completion of the application, which he referred to as "furnishing the blood stream of the very existence of the policy." The underwriter, he said, seldom ever sees the applicant personally, as does the agent, and therefore must judge the risk solely on the details as given by the agent in the application. Mr. Kemper then went through the application in detail. He explained also the waivers and riders attached to policies, pointing out that while in life insurance the substandard risk may be written on payment of an extra premium, this is not feasible in accident and health.

Compared to Fire Company

"Suppose a man sought fire insurance on a factory when an unfriendly fire was at the moment burning in one end of the factory," he said. "The fire insurance company would certainly ask for a waiver relieving it from any liability by reason of the fire then burning, or would refuse to write the risk at all. From the viewpoint of the accident and health company, when a man has a case of appendicitis, a fire is burning in his system and the company faces the necessity either of refusing to write the case at all or relieving itself of any obligations by reason of the appendicitis."

The purpose of the waiver, he said, is twofold—to safeguard the company against excessive loss and thus preserve a lower rate for all policyholders and to conserve business as well as to provide the risk with such protection as may be granted to him without placing an unfair burden on his fellow policyholders.

"The Sale" from the commercial angle was discussed by C. H. Linford, Travelers, and on the industrial side by E. W. Amos, Massachusetts Bonding. Mr. Linford gave an actual sales demonstration, prefacing it with a word picture of two homes, one with accident and health insurance and one without such protection. "Rarely, if ever," he said, "do you have a man ask for an accident

(CONTINUED ON LAST PAGE)

Named Vice-President of Hartford Accident



GEORGE H. MOLONEY

George H. Moloney, manager of the western department of the Hartford Accident, was elected vice-president of the company following the annual meeting. Employees of the western department arranged for a dinner in Mr. Moloney's honor the evening after his election and at that time they presented him with a platinum wrist watch. He continues in charge of the western division.

Mr. Moloney joined the Maryland Casualty in 1904 in the claim department. He graduated from Kent College of Law at Chicago and was admitted to the bar in 1911. In 1913 he joined the head office of the Zurich in charge of compensation claims. In 1915 he became connected with the Hartford Accident as attorney in charge of the legal and claim department in Chicago. He was made general attorney in 1930 and in 1931 was placed in charge of the Hartford Accident's western department surety business. Last year he was made manager of the entire western department.

Mr. Moloney will continue to reside in Chicago and to direct the affairs of the company from that point and will also have a voice in matters affecting the underwriting and administrative policy of the company in general.

Insurance Men Featured at Greater N. Y. Safety Meeting

NEW YORK, Feb. 15.—Insurance interests will play a prominent part in the annual gathering of the Greater New York Safety Conference to be held here March 1-2. The general chairman will be G. M. McAinch, American Mutual Liability, while A. A. Arnurius, Hartford Accident, is chairman of the committee of arrangements, and Miss N. D. McKeon, American Mutual Liability, is vice-chairman. Other members on the committee include R. E. Prouty, Aetna Life, and L. L. Spencer, Travelers.

W. M. Graff, National Bureau of Casualty & Surety Underwriters, as vice-chairman of the attendance committee numbers among his aids M. H. Christopherson, state insurance fund, and P. B. Reimold, Liberty Mutual.

Insurance Men on Committees

Other insurance men holding membership upon different committees include: W. G. Cole, Metropolitan Life, exhibits; W. N. Clifton, Metropolitan Life, C. C. Foster, Fidelity & Casualty, and C. M. Senft, Globe Indemnity, program; H. A. Goodyear, Glens Falls Indemnity, D. L. Royer, Ocean Accident, and T. B. Hanley, National Bureau, publicity; H. G. Wiberg, Lumbermen's Mutual Casualty, and H. H. Williams, American Mutual

Would Prohibit Companies Writing Mortgage Business

VAN SCHAICK ASKS ACTION

Companies' Sad Experience in Real Estate Bond Field Leads to Recommendation

NEW YORK, Feb. 15.—The poor experience of surety companies in guaranteeing mortgages and real estate bonds has led Superintendent Van Schaick to recommend the elimination of the provision in the New York insurance law for "guaranteeing the performance of contracts other than insurance policies."

"The guaranteeing of mortgages and real estate bonds," said Mr. Van Schaick in his annual report, "would appear to be within the field of mortgage guarantee corporations under article V of the insurance law. Ordinarily surety companies are in no position to maintain either title operations or realty development and sales agencies which are essential for the handling of this business. It does not seem practical to maintain such an organization on a national basis."

When the surety companies first entered the mortgage and real estate bond guarantee field, the title and guarantee corporations contested their right to enter this business, but the court sustained the surety companies.

The surety companies which took up the business found to their lasting regret that it provided nothing but heavy losses, the full extent of which will not be known until the assumed liabilities are finally disposed of in years to come. Some of the companies whose mortgage guarantee liabilities were not particularly heavy charged the whole operation to profit and loss some years ago, counting prospective salvage clear gain. However, the companies that had extensive commitments in the mortgage real estate guarantee field were not in a position to follow such a policy and are carrying the burden as best they can. Although the companies will eventually salvage considerable out of the losses on this line, it will take a long time to do so.

Should the New York legislature enact the superintendent's recommendation, surety companies will not regret the action, due to their sad experience in this field.

Governing Committee for Claim Department Named

NEW YORK, Feb. 15.—W. H. Galentine, general counsel of the Globe Indemnity, who will represent his company as a member of the claim department governing committee of the National Bureau of Casualty & Surety Underwriters, has been active in the movement to stamp out fraudulent claim practices throughout the country. As associates upon the committee he will have: L. K. Babcock, secretary Aetna Life; T. N. Bartlett, manager claim division Maryland Casualty; William Butler, general counsel United States Casualty; H. D. Combs, vice-president United States Fidelity & Guaranty; Charles Deckelman, manager claims division Travelers; W. A. Earl, general attorney Hartford Accident; H. W. J. Hargrave, manager claims division Fireman's Fund Indemnity; H. C. Houlihan, general attorney Royal Indemnity, and E. I. Taylor, vice-president Century Indemnity.

Liability, banquet; and W. H. Richardson, Fidelity & Casualty, general.

Speakers at various sectional gatherings of the organization will include: Maxwell Halsey, National Bureau; H. W. Heinrich, Travelers; F. E. Morris, Liberty Mutual; Percy Bugbee, National Fire Protection Association, and R. I. Catlin, Aetna Life.

Virginia Hearing Held on Compensation, Liability

RICHMOND, VA., Feb. 15.—Hearings before the state corporation commission on proposal of companies writing workmen's compensation in Virginia to increase rates 7.2 percent were concluded yesterday, the commission taking the matter under advisement. Representatives of the building industry objected to an advance. P. E. Goodwin, secretary of the Richmond Builders Exchange, said the industry cannot stand additional expense.

At a previous hearing, representatives of the Virginia Manufacturers Association said casualty companies were entitled to the increase, this conclusion being reached after a thorough study of statistical data.

Considers Liability Rates

When the commission resumed its inquiry this week into automobile liability and property damage rates, four companies filing deviations from standard schedules were heard—the Alliance Casualty, Indemnity of North America, Farm Bureau Mutual of Columbus, O., and Consolidated Indemnity. H. P. Stellwagen, executive of the Alliance Casualty and Indemnity of North America, explained that these two companies were able to offer lower rates under the merit rating plan used by them. The Farm Bureau Mutual, which filed deviations ranging from 53 to 65 percent, writes only residents of rural sections.

The Consolidated Indemnity, the commission was informed, uses great care in selecting agents and accepts only more desirable risks.

The hearing was adjourned until Feb. 21, when eight additional companies filing deviations will be heard. Standard rates which have been filed are slightly in excess of former rates on the average for the state as a whole. The inquiry is expected to be concluded at the next hearing.

Los Angeles Surety Banquet

LOS ANGELES, Feb. 15.—At the annual banquet of the Surety Underwriters Association of Southern California, with 75 in attendance, H. C. Gillespie, United States Fidelity & Guaranty, was toastmaster. W. M. Walker, resident vice-president Fidelity & Deposit, spoke.

Again Chairman



PAUL H. ROGERS

Paul H. Rogers, assistant secretary of the Massachusetts Bonding in charge of its accident and health department, was reelected chairman of the governing committee of the Bureau of Personal Accident & Health Underwriters at its annual meeting.

Present Compensation Rates in Maryland Are Continued

WALSH ANNOUNCES DECISION

Mutuals' Plea for Reduction Rejected— Rebate on Larger Premiums Is Disallowed

Commissioner Walsh has issued an order continuing in force the present compensation rates in Maryland and disallowing the proposal of stock companies to grant a rebate of 12½ percent on that portion of compensation premiums in excess of \$1,000. In his statement Commissioner Walsh said the stock companies requested the use of a factor of 1.10 to offset the effect of wage reductions not reflected by the 1930 experience. Since the 1930 experience in Maryland, applied mathematically, would have resulted in a reduction of 9.1 percent, use of the wage factor would merely result in having the present rates maintained.

The mutual companies requested that the wage level be disregarded and that a rate reduction of 9.1 percent be put into effect. The attorney general ruled that only one set of rates could be established and so Commissioner Walsh states he is giving effect to the stock companies' request. Since the stock companies write 80 percent of the compensation business in Maryland, he said the wage factor which they asked for should be allowed.

Chicago Underwriters Take Up Rate Inadequacy Matter

Inadequacy of rate on the stockyards bond sold in Chicago covering feed and freight charges was discussed again by the Surety Underwriters Association of Chicago in the February meeting. This bond sells for \$2 in Chicago, but less coverage is given elsewhere for \$7.50. The Chicago Underwriters consider the premium hopelessly inadequate but have not been able to secure relief from the Towner Bureau of New York. Arrangements were made for a delegation to attend the meeting of the Illinois Association of Insurance Agents in Springfield, Ill., March 9, when Superintendent Palmer will speak. Walter W. Steiner, manager Globe Indemnity, was appointed chairman of a committee to arrange a social affair to be held in March.

Illinois Casualty Figures

The annual statement of the Illinois Casualty of Springfield, Ill., shows assets \$623,310 as compared with \$569,590 the year before. Of this, \$186,921 consists of mortgages, \$313,517 bonds and \$41,200 real estate. The loss reserve is \$98,224, premium reserve \$152,329, capital \$200,000, net surplus \$71,247. Its net premiums in 1932 were \$529,563 and total income \$560,067. It paid in claims \$182,797 and had claim expense \$77,661. Its total disbursements were \$510,353. It has paid \$1,151,689 losses since organization and received \$2,980,630 in premiums. It devotes its attention to full cover automobile insurance.

Oppose Tax Moratorium

DETROIT, Feb. 15.—The opposition of insurance executives to the Moore bill in the Michigan legislature providing a 10-year moratorium on delinquent taxes without penalty and without making the advantage contingent on paying current taxes, was reported when a committee consisting of W. G. Curtis, president National Casualty; D. M. Ferry, Jr., president Standard Accident, and Hal H. Smith, president Central West Casualty and Wayne Surety, wired Governor Comstock to hold up action on the bill, which is being put

Standard Accident Names Hacker a Vice-president



J. P. HACKER

J. P. Hacker has been elected a vice-president of the Standard Accident. He joined the Standard in 1923 as superintendent of the bonding claims department. Four years later he was made assistant secretary.

He took his law course at the University of Maryland. For ten years following his graduation he was with the Fidelity & Deposit and traveled extensively over the United States, representing the F. & D. in bonding matters.

Indiana Names Receiver for a Kentucky Company

On Thursday of last week Irving Hamilton and Phillip Ketterer of Indianapolis were appointed co-receivers for the Indiana business of the Equitable Life & Casualty of Louisville. This company reinsured some time ago the business of the Indiana Equitable.

LOUISVILLE, Feb. 15.—James R. Duffin, president of the Equitable Life & Casualty, when asked about the receivership action, said the action is not significant in that the Equitable Life & Casualty has no property in Indiana and is not licensed to do business in that state. Under the Kentucky laws no one many bring a receivership action against a Kentucky company other than the insurance commissioner of Kentucky.

Mr. Duffin stated he was taking immediate action to have the receivers dismissed and the court order set aside. No official of the company, he said, was advised of the action in time to be represented at a hearing set for Feb. 8, and the only notice of such action was served on W. R. Phillips, a former company agent in Indiana, who at this time is not a licensed agent of the company.

Mr. Duffin stated that the action in Indiana was brought by President Hamilton of the Insurance Service Bureau, to which the Equitable Life & Casualty owes a few hundred dollars for inspection fees or service, but that such a claim is merely a common law matter, wherein the claimant may file suit for recovery and secure judgment, but has no legal right to bring a receivership action.

Mr. Duffin stated that when the true facts of the case are presented before Judge Williams he felt assured that the receivership order would be set aside.

through the legislature as an administration measure.

The governor said that an opportunity would be made for the committee to appear at a public hearing.

Men in Field Discriminating

Bad Experience with Some Representation, Losses on Mortgage Guaranty and Bank Depository Bonds Subject Companies to Keen Scrutiny by Producers

By DALE R. SCHILLING

There is no doubt but that this is a year in which much greater care will be exercised by producers in the field in selecting the companies which they are to represent, and by the public in choosing insurance carriers. It is a year of discrimination all around.

The mad era of premium volume and huge investment profits which permitted writing almost any risks fortunately is ended. The chickens have come home to roost already in some quarters. Insurance buyers, agents and brokers as never before are requiring more than a mere showing of present solvency. They are critically analyzing the setup in companies; determining whether executive officers are experienced and able, underwriting methods sound and investment portfolios well chosen and diversified.

Another Factor Is Noted

Much has been blamed on the depression, but it is coming to be recognized in the field that something more than that, with bank failures, real estate slump, investment difficulties and a much greater claim consciousness of the people, was responsible for the huge losses of many casualty-surety companies in their operations in the last few years.

Without doubt the casualty business, particularly, for some time because of its rapid growth was faced with a scarcity of well-trained, experienced personnel. The institution outstripped its talent. There were not sufficient executives of ability to manage successfully the many companies which were formed in the boom years. This is self evident from the difficulties of some carriers formed by great fire insurance fleets. With unlimited financial backing it appeared impossible to go out on the market and hire the proper executives, no matter what the salary.

Directors Mainly Responsible

But there were many able executives who led their companies into difficulties which their experience must have told them would develop. The man in the field in the last analysis sees the directors as mainly responsible.

A prominent manager says he believes the casualty-surety business must set its house in order before it can expect to begin making profits regularly and operating on a sound basis.

He claims first that even the depression, heavy investment depreciation and losses on mortgage guaranty and bank depository bonds have not sufficiently impressed upon some company officials and directors the lesson that they are in the underwriting business, and had better begin very soon to underwrite.

Attractive Sources of Business

He mainly criticises, however, the makeup of the average company's board of directors. Even the most capable president, he said, with long home office underwriting and field sales experience must do as his board directs. His experience may tell him that a certain type of coverage or method of underwriting is suicidal to follow, but he makes the best of a bad matter and tries to accomplish the tasks assigned him. If he fails the onus is all his own. If he succeeds he merely proves that his directors were right.

The manager points out that there is a very real danger to companies arising from the fact that they are great financial institutions, handling large sums of money, and thus attractive sources of

business in the eyes of bankers and investment men.

It is not claimed that these financial interests do not have a proper place in the picture. All successful insurance operations are based on diversification—of coverage in many localities, of types of coverage, of investments. It is wise to have diversification as well in the boards.

When there was much money to be made on the investment side, it was good business to secure as directors able and influential bankers and investment men. They were able to contribute their specialized experience. But from this very situation arose a number of evils, the manager says. The bankers, naturally, were primarily interested in gaining deposits for their banks and building up their allied investment corporations. The investment men similarly sit on the insurance companies' boards with an eye for their own businesses.

Preponderance of Financiers

So extreme was this trend in the last few years that some boards were made up almost wholly of these financial interests. One company especially may be cited whose board was composed entirely of bankers and investment men, save for the president, the only member thoroughly informed on insurance, and he obeyed orders from the board.

The manager states his opinion that surety companies never would have entered the disastrous mortgage guaranty field except for the investment and banking members of their boards. There were many wise executives who did not want to assume this liability. It was strange territory in which there was no experience on which to base rates, and they saw long ago the possibilities of the tremendous losses which later occurred.

However, the manager says, they were forced into this line by directors, some of whom hoped to profit by selling guaranteed first mortgage bonds through their own organizations. This activity also helped the banker board members who were loaning money on such real estate projects, as it permitted them to "copper their bets." If anything went "sour" with the first mortgage bonds the surety companies would absorb the loss. Otherwise, these bonds would represent fine 6 percent investments for the banks.

Other Criticisms Are Voiced

The manager states that many banker board members induced companies to carry for them a type of depository bond which would not otherwise have been issued. The manager has other criticisms which he believes are worthy of serious consideration and action in the casualty-surety business. He lists them as:

1. In too many companies the directors own only a comparatively few shares of stocks. If a board were compelled to hold at least 15 percent it would be much more careful in making decisions, for otherwise it is playing largely with other people's money.
2. Very few field men are appointed on boards. The field viewpoint is essential in arriving at any decision on a board.
3. Too many persons on boards who are unfamiliar with insurance.
4. Too large and unwieldy boards as a rule.
5. Too many companies have directors residing almost exclusively in one

section of the country (even in some instances nearly all in one city, either the home office city or some great nearby center).

6. Too many directors are put on boards largely because they are influential in business or have prestige; too many "retired" business men noted on boards.

Invest Little of Own Money

In respect to the first allegation, the manager points out that it appears almost the universal practice for the entire board, including officers who are members, to own little more than 5 percent of the stock. In at least one notable instance this ratio drops as low as 2.5 percent.

In rebuttal it may be pointed out that however little stock the directors own, they are elected by and subject to the will of the stockholders, and represent the majority of the stock since they vote proxies.

Too often, the field viewpoint is represented on a board only by the officers, who even though they may have had previous experience in the field have lost intimate touch if for no other reason than that they now are home office men. The viewpoints of home office and field never can coincide.

It may be possible more field men would go on directorates if they could

qualify properly. There are some notable examples in which not merely one but several field men are on the boards of companies. Those companies as a rule are agency-minded; thoroughly alive to the needs of the field.

The manager especially emphasizes the unwieldiness of some boards. He points to one company with some 60 directors, another with over 53, others in the neighborhood. He points out that inevitably few of these directors can be collected at a given place at a given time, and the larger the board the more difficult the task. Many are directors only in name.

Modern Transportation an Aid

For this reason, quite often legal quorums undoubtedly are difficult to obtain, and so the company's operation devolves on the executive committee, with perhaps monthly checkups by the board.

Practical considerations demand most often that the executive committeemen reside in the home office city or nearby, which immediately brings up the question of diversification of residence. The nation-wide operations of many companies practically demand something more than long distance contacts with conditions in various sections; even something more than the advice of a trained home office observer. The full truth of

a local situation can be obtained only by a local man.

The manager referred to feels that modern high speed transportation permits insurance companies to profit from the talent of able men in many sections. He feels that, for instance, every board of companies operating on the Pacific Coast should have one Pacific Coast member. With 17-hour airplane service across the country, he points out, this is entirely practicable.

To sum it all up, the manager states his belief that the casualty and surety business has forged ahead so fast that it has outgrown some of its directorates. He states his opinion that some directors are not big enough for their jobs. He feels that the business today requires the active support and assistance of its directors; that they should feel their responsibility more keenly to attend meetings and give their best efforts in coming to a decision on wise, conservative action.

Costly for Men in Field

His views are by no means the exception. All men in the field have been hit hard by the losses that companies have experienced. They have taken on companies and sold the insurance to their best clients, only to have the companies fold up. They have taken on

other representation and had it happen again.

This is not merely embarrassing to the producer in the field; it shoots his business full of holes. It loses him many valuable clients, not only on the casualty-surety side, but for fire and other lines as well.

The producer in the field cannot survive many experiences like that. Therefore he is applying the acid test to his representation. He is making his companies answer an exhaustive questionnaire, with the answers written in experience before the questions are propounded. And when he has the answers the man in the field is acting according to the grand total which he obtains.

Quite frequently he is taking these results out and telling the public about them. As the manager mentioned puts it, it behooves companies nowadays to recognize this growing tide of discrimination among the public and insurance producers, and to place themselves above reproach if not already so.

Lumbermen's Mutual Figures

Chicago Company Makes Good Showing on Operations for the Past Year

The Lumbermen's Mutual Casualty of Chicago last year showed premiums \$15,098,377, increase \$791,142. Its assets are \$16,031,781, increase \$510,427. Its premium income for the three years ending 1932 was \$43,055,684, increase \$15,006,235. Policyholders' dividends were exceeded by some \$200,000 previous payments. Market value of securities increased \$319,370 between Jan. 1 and Dec. 31, 1932. The Lumbermen's Mutual Casualty uses the actual market value basis in figuring its financial statement. Its surplus on that basis is \$2,336,954. It gained 11.7 in automobile premiums, the total premiums from this class being \$11,494,692. Of its assets 26.35 are in federal government bonds, 29.41 in state and municipal bonds, 15.06 in mortgage loans, 8.09 in cash.

New York Aviation Loss Is Estimated Near \$100,000

NEW YORK, Feb. 15.—While early reports varied considerably as to insurance losses at the Roosevelt aviation field fire Tuesday in which nine airplanes and a large hangar were destroyed, it was believed total loss would not run over \$100,000, not all of which was covered by insurance. The fire risk on the planes, six of which were valuable amphibians, was distributed among the three principal aviation underwriters, the Aero Insurance Underwriters (formerly Barber & Baldwin), Associated Aviation Underwriters and United States Aviation Underwriters.

Ohio Casualty Figures

The Ohio Casualty reports assets of \$3,295,479 in its 1932 statement, the principal items being real estate \$183,795, cash \$285,824, U. S. liberty and treasury bonds \$1,273,290, municipal and listed bonds \$680,499, preferred and common stocks \$446,050 and premiums in course of collection \$397,867.

Liability loss reserve amounts to \$549,352, reserve for other losses and claims \$207,631, premium reserve \$1,391,712, security depreciation reserve \$121,745, capital \$600,000 and net surplus \$328,175.

Company Completes Organization

DENVER, Feb. 15.—Paul Schlesselman, former publisher of the Alamosa, Colo., "Courier," has been chosen president of the Republic Mutual, a new health and accident company licensed in Colorado in November. Forrest Heath of Heath, Larson & Co., security dealers, is vice-president, and E. W. Larson of the same firm is secretary. John Sherritt has been made agency manager.



CONSOLIDATED INDEMNITY AND INSURANCE COMPANY

475 FIFTH AVENUE
NEW YORK

FIGURES WHICH DEMONSTRATE OUR STEADY PROGRESS:

For the CALENDAR YEAR 1932 we wrote net premiums \$4,943,501.64

For the CALENDAR YEAR 1931 we wrote net premiums 4,141,972.34

An increase of \$ 801,529.30

In January, 1933, we wrote net premiums \$ 385,923.95

In January, 1932, we wrote net premiums 333,583.00

An increase of \$ 52,340.95

We again thank our many friends for
their loyal support and continued confidence.

CONSOLIDATED INDEMNITY AND INSURANCE COMPANY

JOHN F. GILCHRIST,
Chairman of the Board

A. BERTRAM SAMUELS,
President

Valentines are swell,



but . . .

DANIEL CUPID receives a lot of publicity in February. Romance is not dead. You may even have a few assured who sell Valentines, just to prove it. There is romance even in the insurance business. However, we advise you to stick to your favorite author, if it's romance you're after in your reading.

If, however, you want some specific, hard-boiled facts about the insurance business; just what a contract means and what it doesn't mean; the kind of claims that are paid under those contracts; the kind of information that should help you sell more insurance . . . then we offer for your approval the current issue of *The Employers' Pioneer*. Cupid knows his place and keeps out of the picture, even though it is February. The February *Pioneer* is concerned with the insurance problems that confront the manufacturer. The article "A Barrel A

Minute" is not about a beverage; it's a different slant on Sprinkler Leakage Insurance. And the contribution "Win or Lose" is not about Monte Carlo; it has to do with the defense clause under automobile contracts wherein the company defends suits, even if they are groundless.

The February *Pioneer* is an honest effort on the part of agents and employees of the world's pioneer in liability insurance and its affiliated companies to produce some facts which should be helpful to the insurance man and to relate them in an interesting manner. We believe you will receive some real inspiration from "Elementary Stuff," an article having to do with Knute Rockne's advice to salesmen and that you will be comforted by the article "Assets and Liabilities."

We will be glad to send you a copy of this issue of *The Pioneer*. There is no obligation on your part. Send your request to the Publicity Department at 110 Milk Street, Boston, Massachusetts.



The Employers' Group *The Employers' Liability Assurance Corp. Ltd. • The Employers' Fire Insurance Co. • American Employers' Insurance Co.* **110 Milk Street, Boston**

Occupational Risk Plan Is Modified

(CONTINUED FROM PAGE 29)

for removal of this element and for supplemental loading. The minimum premium charge for adding the endorsement is \$5.

In Illinois, where some occupational diseases are covered under the state compensation law or court interpretations, and others are not, the details of coverage and determination of appropriate rates have not been completed but will be issued soon.

OCCUPATIONAL DISEASE DANGER

Extension of the compensation law to include occupational diseases may some day go so far as to make the law a general sickness and accident insurance, John D. Sullivan, attorney of Rochester, N. Y., and former deputy on the New York compensation commission, told members of the Optimists club of Rochester. Silicosis and other diseases are on the border line of compensation and they offer great difficulty because of their indeterminable nature. In New York state unlimited compensation is provided and insurance may be paid to

a man for years and then to his dependents.

BROADEN MINNESOTA LAW

ST. PAUL, Feb. 15.—A bill has been introduced in the Minnesota legislature adding dermatitis, silicosis and carbon monoxide poisoning to the occupational diseases covered by the compensation law.

Bureau Reelects Rogers Chairman

(CONTINUED FROM PAGE 29)

tific rate basis. The ability to test the adequacy of rates for accident insurance and to keep them on a proper level is one of the valuable features of the present plan, making possible the development of accurate rates based on the combined experience of the bureau membership.

Statistical Reports Valuable

The statistical committee reported on its recent revision of the medical reimbursement rates on the basis of present experience and on the progress made in the compilation of statistics covering the experience of the entire membership

CASUALTY ASSOCIATION NEWS

Push New Jersey Campaign

Casualty Association Carrying on Active Drive Against Ambulance Chasing

NEWARK, Feb. 15.—A campaign to stamp out "ambulance chasing" in New Jersey is being pushed by the Casualty Underwriters Association of New Jersey. A law passed last year in the New Jersey legislature forbids the practice. In Hudson county, the bar association has been extremely active and has obtained

of the bureau. Attention was called to its report covering the combined health experience of bureau members for policy years 1921-1926 inclusive, presenting an analysis by disease of 116,618 cases of sickness which developed from 494,222 years of exposure. The data was analyzed from an entirely new angle and should prove extremely valuable.

The manual and underwriting committees also reported.

three convictions, with sentences of 90 days in prison in each offense.

A round table conference was held here last week at which the campaign was discussed. Those in attendance included E. C. Graff, Newark manager, General Accident; John A. Matthews, general counsel in New Jersey for the General Accident; B. J. Mackey, president New Jersey Casualty & Utilities Claim Men's Protection Association; William Cavanaugh, claims manager National Bureau of Casualty & Surety Underwriters, and W. A. Schaefer, president Casualty Underwriters Association of New Jersey.

Senff and Tate at Louisville

G. B. Senff, insurance commissioner, and William Tate, department actuary, were the principal speakers at the monthly luncheon meeting of the Kentucky Casualty Association in Louisville.

Houghton Is Nominated

LOS ANGELES, Feb. 15.—G. F. Houghton, Hartford Accident assistant Pacific Coast manager, was nominated as chairman of the Casualty Association of Los Angeles at its last meeting. The nominating committee also recommended the reelection of Joseph E. Joseph, associate manager Columbia Casualty, as secretary-treasurer. The meeting was a testimonial to W. E. Shiels, manager Travelers casualty department and chairman of the association during the past year, in recognition of his successful educational program.

Noble Des Moines Speaker

DES MOINES, Feb. 15.—Frank Noble, Iowa manager American Surety, spoke at this week's meeting of the Casualty & Surety Club of Des Moines on "An American Lawyer in Moscow," based on a brief visit he made last summer in Russia with a party of Americans, including Sherwood Eddy, nationally known social worker. Mr. Noble, who holds a law degree, explained that since Russia has no insurance agents or companies, he deemed it advisable to be known as a lawyer while there.

Lieber Opposes Guest Bill, Explains Compensation Move

LANSING, Feb. 15.—At the Michigan Association of Insurance Agents mid-winter meeting here George J. Lieber, Detroit resident manager Fidelity & Casualty, explained several bills which have appeared in the legislature, including the proposal to emasculate the present "guest passenger act" and make simple negligence of the driver again actionable by gratuitous passengers. This measure, including provisions to establish the doctrine of comparative negligence, which would place all cases of shared negligence at the mercy of juries, would cost the companies \$500,000 or more annually in increased judgments, he estimated.

Mr. Lieber also discussed the occupational disease program in compensation insurance, effective in Michigan Feb. 28. Under this program, insureds must either agree to assume their own "employers' liability" as regards possible common law actions based on contracting of occupational diseases or must pay a specified additional premium to obtain protection against this hazard. He explained that the companies have been encountering some heavy losses even in states where occupational diseases are not compensable under the law or by court construction through resort to the common law principle that the employer is responsible in cases where he fails to inform the employee of the hazards of the occupation.

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WESTERN AND SOUTHERN
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Policyholders Surplus \$1,506,319.11

All Securities Valued at Market December 31, 1932

THE
WESTERN AND SOUTHERN
FIRE INSURANCE COMPANY

Policyholders Surplus \$493,121.94

All Securities Valued at Market December 31, 1932

Charles F. Williams, Pres.

Cincinnati, Ohio

Address—William C. Safford, General Manager

CHANGES IN CASUALTY FIELD

H. N. Douglass Made Manager

Former Union Indemnity Man Is Appointed by New Amsterdam to Chicago Post

H. N. Douglass, who was associate manager of the Union Indemnity in Chicago until that company failed, has been appointed resident manager for the Chicago casualty department of the New Amsterdam Casualty. He succeeds V. H. Bartholomew, who has become resident vice-president in Chicago for the Standard Accident.

Mr. Douglass was interviewed at Chicago by Vice-President C. S. Weech of the New Amsterdam and then he was called to Baltimore for a conference.

The Union Indemnity office at Chicago under Mr. Douglass and J. M. Hogle showed underwriting results considerably better than normal for that company.

Before his association with the Union Indemnity, Mr. Douglass was western manager for the Constitution Indemnity

and before that was assistant manager at Chicago for the Ocean Accident. He has a wide acquaintance in the business and his experience equips him for the New Amsterdam job.

George W. Pangborn Retiring

Veteran General Agent of Indianapolis Quits Arena—His Connections Are Being Adjusted

After 43 years of active identification with fire and casualty insurance in Indiana, George W. Pangborn has resigned and an adjustment of connections has been made for the companies represented in his general agency at Indianapolis. The Ocean Accident, represented by Mr. Pangborn as general agent for 22 years, will continue its service office at Indianapolis including an underwriting and claim department and other service for agents of the state who will continue to report thereto. C. H. Watson will be executive special agent in charge and E. J. Fulton will handle

the underwriting. Mr. Watson has represented the Ocean in Ohio for the past two years and for five years prior to that operated a general agency at Columbus, O. Mr. Fulton has been with the Pangborn agency 15 years and prior to that was with the home office of the Indianapolis Fire.

C. B. Hauk, who has been associated with Mr. Pangborn for nearly 34 years, becomes general agent for Marion county of the Ocean and will also continue to represent the Northern of New York and the Pacific Fire for Marion county and the U. S. Merchants & Shippers Underwriters of the Westchester, automobile department, for the state. Adjustment as to other fire companies will be made later. Mr. Pangborn's son, Mark W. Pangborn, will continue his brokerage business and will have office space with Mr. Hauk.

Commercial Union Move

The Commercial Union state offices will be moved April 1 from the Circle Tower to offices adjoining the Ocean's suite 1205-6 Fletcher Trust building.

W. G. Bailey, assistant manager in charge of the agency department from the New York office of the Ocean, and A. H. Stofft, associate manager of the agency department, are in Indianapolis supervising the readjustment of the

office and expect to remain until the first of March.

Mr. Pangborn, who entered the insurance business in Indianapolis in 1890, has been a strong and influential figure in fire and casualty circles in Indiana for many years. He has been a student of the business. He has been a strong champion of the general agency system. His service for the Ocean has evoked high praise from the New York office and United States Manager Henry Collins, in announcing Mr. Pangborn's retirement, expressed appreciation of his "able representation" of the company and his regret that Mr. Pangborn has decided to retire on account of advancing years and impaired health. For the past year Mr. Pangborn has been able to spend only a small part of the time in his office. For many years prior to his connection with the Ocean, Mr. Pangborn was general agent of the Frankfort Marine Accident & Plate Glass, and enjoyed a close personal friendship with United States Manager C. H. Franklin. Mr. Pangborn expects to continue to make his home in Indianapolis.

E. F. Philbrick Retires

BOSTON, Feb. 15.—E. F. Philbrick, for a number of years manager of the branch office of the American Surety and the New York Casualty, will retire March 30 because of ill health. He will be succeeded by F. B. Hammond of San Francisco, now district supervisor on the Pacific Coast for both companies. Mr. Philbrick, held to be the dean of surety underwriters in New England, has been identified with the American Surety for 36 years, having first entered its service in 1897. Mr. Hammond's connection with the company dates from December, 1920, when he became special agent attached to the Salt Lake City branch. Four years later he was advanced to assistant manager there and in 1926 promoted to manager. In 1929 he was transferred to the west coast as supervisor for both companies.

H. L. Carter Named Manager

H. L. Carter, who has been acting manager of the Builders & Manufacturers Mutual Casualty of Chicago for about two years, has now been made manager. He has been with that company since 1927. Previously, he had been with the Hartford Accident for several years in various offices, including Montreal, Buffalo and Hartford. He has had much to do with the introduction by the Builders & Manufacturers Mutual of the work-hour basis of calculating compensation rates and the apportionment of dividends, according to experience.

Flint Made Newark Manager

H. M. Flint has become manager of the Newark office of the Lloyds Insurance Co., succeeding F. J. Moore, who is now with the Bryce general agency of the Royal Indemnity at Newark. Mr. Flint was formerly Newark manager of the Constitution Indemnity, which was merged in the Lloyds.

Clarence P. Nichols Resigns

Clarence P. Nichols of Decatur, Ill., who has been traveling out of the Indianapolis office for the Metropolitan Casualty, has resigned that position. He was formerly connected with the Travelers at Chicago, Grand Rapids, Mich., and other points.

Sanderson to Kansas City

R. W. Sanderson now is claim superintendent at Kansas City for the Employers Liability in Kansas and western Missouri, replacing L. S. Hoiles. Mr. Sanderson formerly was in charge of the claim office at Dallas, Tex.

The United Underwriters, Kansas City, Mo., has taken over the general agency for the Consolidated Indemnity for Missouri.

RETENTION



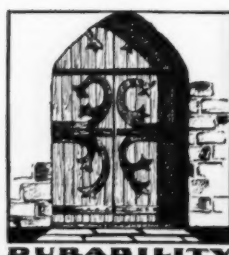
The customer file post-mortem is a sad thing in many agencies.
Dead names clutter up the records.

Customer turnover is costly to agency growth. Old business—evidence of DURABILITY—should be as easy to keep as new is to get.

Established confidence, proven performance, can help reduce this loss. Continental agency contracts insure growth, guarantee DURABILITY.

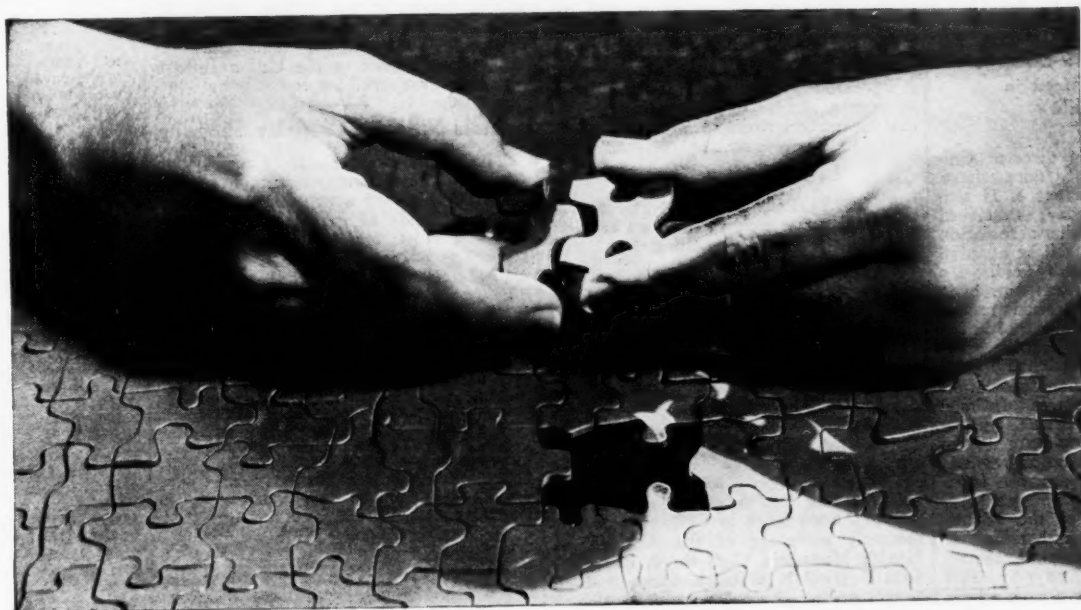
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CHICAGO



**CASUALTY
COMPANIES**

ILLINOIS



LIKE A JIG SAW PUZZLE

In assembling a complete
Program of protection for your clients
Many facts and conditions
Must be carefully considered.

The ÆTNA PLAN
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May be accomplished
Systematically.

As a result, unnecessary gaps
And overlapping of coverages
Are avoided.

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1933

ACCIDENT AND HEALTH FIELD

Tower A. & H. Club Speaker

Tells Plans Used by Life Underwriters That Might Be Used in Accident Field

Walt Tower, managing director Chicago Association of Life Underwriters, speaking before the Accident & Health Club of Chicago Monday, described some of the activities of his association which he thought might well be adapted to the accident and health field. He said that his organization has now been developed to the point where it is recognized as an authoritative source of information about life insurance and life companies. People have confidence in the medical society and the bar association as being really representative of those great professions, and the Life Underwriters Association is endeavoring to put itself on the same plane as regards life insurance. Its main purpose is to give more service, both to policyholders and agents. He spoke of the advantages of association membership in bringing about a better acquaintance and fellowship and said that no complaint had ever been received in a case where one agent really knows the other.

He declared that life insurance men regard accident and health as very closely akin to their own line and are naturally interested in the success of

the Accident & Health Club. He believes that club should have an office where information can be secured in regard to companies and also suggested the possibility of a bureau for the listing of agents, similar to that maintained by the life underwriters' organization.

L. M. Kuh to Speak

NEW YORK, Feb. 15.—The second of a series of weekly lectures on accident and health insurance selling by L. M. Kuh, district disability manager Continental Casualty, will be given at its New York office at 10:45 Saturday. The first lecture, given Feb. 4, was well attended. Mr. Kuh has stressed the fact that the series is open to all brokers, whether dealing with the company or not, without charge or obligation.

Ralph Wood's Connection

Ralph O. Wood, formerly with the accident and health department of the Zurich's head office in Chicago and also formerly secretary of the Accident & Health Managers Club there, has gone with Redfield & McGurk, Chicago managers for the Mutual Benefit Health & Accident and the United Benefit Life of Omaha, as unit manager. Before going with the Zurich he was with the accident and health department of the Ocean Accident branch in Chicago.

NEWS OF THE COMPANIES

Has Net Surplus of \$3,259,260

Globe Indemnity Makes Fine Showing in Annual Statement—President Reid's Comment

The Globe Indemnity is shown by its annual statement to be in highly liquid condition. It has assets of \$33,119,429, including cash \$2,051,016, U. S. government bonds \$7,790,417, other bonds and stocks \$18,221,207, real estate \$1,588,934, premiums in course of collection \$3,167,013.

The claim reserve amounts to \$12,390,279, premium reserve \$7,006,976, special reserve for losses incurred and not reported \$2,000,000, contingency reserve \$4,876,770, capital \$2,500,000 and net surplus \$3,259,260.

President A. Duncan Reid has addressed a communication to agents and employees of the Globe on competitive tactics.

"In the interest of cooperation and good practices between casualty companies," he writes, "all agents of the Globe Indemnity and all persons connected with the branch offices are cautioned not to make any statements, oral or written, or circulate printed reports of any nature reflecting unfavorably in any manner upon the financial standing or reputation of any other company."

"Say every good thing you can about the Globe Indemnity, but do not cast reflections upon your competitors."

Fireman's Fund Indemnity

Premiums of the Fireman's Fund Indemnity have increased from \$1,866,000 in 1931 to \$2,326,000 in 1932, with increase in assets from \$4,660,000 in 1931 to \$5,130,000. Policyholders' surplus, which was \$3,108,000 a year ago, is now practically \$3,000,000. In his report to the annual meeting President Levison characterized 1932 as "one of the most trying in the history of the business," pointing out that 31 casualty and miscellaneous companies retired from active business, 20 were absorbed by other companies and \$40,000,000 was transferred from capital to surplus by some

11 casualty and miscellaneous companies to maintain a proper balance between assets and liabilities. A number of the older companies of this classification were obliged to seek assistance from the Reconstruction Finance Corporation.

Pennsylvania Receiver Appointed

HARRISBURG, PA., Feb. 15.—The Dauphin county court of common pleas has appointed Commissioner C. F. Armstrong ancillary receiver in Pennsylvania for the Union Indemnity, with authority to take possession of all property and funds of that company in Pennsylvania. The court also restrained officers and agents and other employees of the Union Indemnity from disposing of any property or transact any business in Pennsylvania.

Coast Litigation Decided

SAN FRANCISCO, Feb. 15.—Bringing to a close the litigation between the American Indemnity and Independence Indemnity over approximately 1500 short term policies issued in the latter company by its former general agent, Mullin-Acton Company of San Francisco, now defunct, an interlocutory judgment has been given in favor of the American Indemnity. It provides for appointing a referee to ascertain the amount paid by the American Indemnity on account of these short term policies, pending outcome of the litigation. The court orders the Independence Indemnity to repay the American Indemnity all such expenditures.

Consolidated's Premiums Increase

The Consolidated Indemnity of New York shows that last year its premiums were \$4,943,502, increase \$801,529. In January this year, it wrote \$385,924 premiums, an increase of \$52,341. This shows that the company is moving along in a very successful way.

Receivers' Removal Denied

Judge Provosty in civil district court in New Orleans has denied a petition for removal of Sanford Levy and Clay

W. Beckner as receivers for the Union Indemnity. The petition was filed by out of state stockholders and creditors.

The petitioners objected to the present receivers acting, because Levy was a vice-president of the Union Indemnity and Beckner was a local representative of the Reconstruction Finance Corporation, which is one of the Union Indemnity's largest creditors.

Illinois National Casualty Showing

The Illinois National Casualty of Chicago in its annual statement shows assets \$562,017 of which \$32,936 is cash, \$203,835 bonds of various kinds, \$203,181 first mortgage loans. Its premium reserve is \$213,754, loss reserve \$56,175, capital \$200,000, and net surplus \$52,350. The company specializes in automobile insurance. It maintains service offices in addition to its home office, in Belleville, Ill., Springfield, Ill., Peru, Ind., and South Bend, Ind.

Maryland Cas.—Assets, \$39,621,745; dec. in assets, \$944,336; unearned prem., \$10,534,438; loss res., \$5,358,018; liab. res., \$5,658,767; comp. res., \$5,789,495; capital, \$1,000,000; surplus, \$3,128,481; inc. in surplus, \$35,134; secur. fluc. res., \$1,000,000. Experience:

	Prem.	Losses
Accident	\$1,226,441	\$ 657,333
Health	324,946	188,526
Auto liability	5,811,343	3,956,937
Other liability	2,269,837	1,122,029
Workmen's comp. ..	5,429,862	4,756,016
Fidelity	1,539,856	795,395
Surety	2,189,167	4,581,689
Plate glass	458,918	169,190
Burglary and theft. ..	1,388,552	599,342
Steam boiler	440,155	42,882
Engine and mach. ..	175,555	38,593
Auto prop. damage. ..	1,938,408	756,956
Auto collision	284,821	151,064
Other P. D. and Coll. ..	87,439	44,764
Sprinkler	100,458	39,184

Total

Eagle Indem.—Assets, \$7,114,676; inc. in assets, \$40,503; unearned prem., \$1,496,246; loss res., \$544,214; liab. res., \$1,198,302; comp. res., \$858,394; capital, \$1,000,000; surplus, \$960,167; inc. in surplus, \$438,822; secur. fluc. res., \$749,499. Experience:

	Prem.	Losses
Accident	\$ 56,042	\$ 14,790
Health	15,951	2,401
Auto liability	1,073,722	685,318
Other liability	386,905	195,734
Workmen's comp. ..	635,247	532,941
Fidelity	110,967	43,575
Surety	77,999	77,319
Plate glass	93,688	38,551
Burglary and theft. ..	215,369	100,482
Steam boiler	39,914	5,939
Engine and mach. ..	5,805	1,985
Auto prop. damage. ..	318,978	132,064
Auto collision	27,243	11,447
Other P. D. and Coll. ..	17,733	2,235

Total

Royal Indemnity—Assets, \$27,033,497; inc. in assets, \$455,636; unearned prem., \$5,911,666; loss res., \$2,889,056; liab. res., \$4,271,189; comp. res., \$4,417,356; capital, \$2,500,000; surplus, \$2,511,993; inc. in surplus, \$1,500,766; secur. fluc. res., \$3,200,651. Experience:

	Prem.	Losses
Accident	\$ 227,375	\$ 197,872
Health	81,233	63,001
Auto liability	3,905,542	2,324,755
Other liability	1,336,444	610,243
Workmen's comp. ..	2,934,138	2,156,171
Fidelity	766,415	409,883
Surety	417,739	541,540
Plate glass	260,258	96,344
Burglary and theft. ..	790,150	335,451
Steam boiler	221,722	26,849
Engine and mach. ..	36,793	12,756
Auto prop. damage. ..	1,147,863	410,718
Auto collision	115,300	55,174
Other P. D. and Coll. ..	48,619	43,986

Total

Iowa Mut. Cas.—Assets, \$113,125; dec. in assets, \$20,190; unearned prem., \$52,963; loss res., \$4,894; liab. res., \$3,503; surplus, \$31,844; dec. in surplus, \$1,117. Experience:

	Prem.	Losses
Auto liability	\$ 53,616	\$ 37,371
Plate glass	18,135	10,637
Auto prop. damage. ..	27,748	6,443
Auto collision	10,445	5,917

Mercer Cas.—Assets, \$1,077,555; inc. in assets, \$22,265; unearned prem., \$294,109; loss res., \$60,003; liab. res., \$253,186; capi-

tal, \$250,000; surplus, \$159,776; inc. in surplus, \$42,361. Experience:

	Prem.	Losses
Accident	\$ 469	\$ 207
Auto liability	406,098	217,123
Other liability	2,565	176
Auto fire	38,234	26,696
Cargo	2,966	1,303
Plate glass	7,233	2,507
Auto theft	29,060	15,386
Auto tornado	3,528	1,153
Auto conversion	25	315
Auto prop. damage. ..	161,348	56,734
Auto collision	60,286	49,483
Other P. D. and Coll. ..	85	.....
Confiscation	10	.....

Total

Pennsylvania Indem.—Assets, \$3,004,621; dec. in assets, \$123,685; unearned prem., \$1,046,031; loss res., \$67,415; liab. res., \$1,072,903; capital, \$300,000; surplus, \$260,875; dec. in surplus, \$1,012; secur. fluc. res., \$200,000. Experience:

	Prem.	Losses
Accident	\$ 20,061	\$ 14,597
Auto liability	1,529,149	709,762
Other liability	8,110	1,282
Auto prop. damage. ..	519,095	186,255
Auto collision .....	.....	7,180
Other P. D. and Coll. ..	273	3

Globe Indemnity—Assets, \$33,119,429; dec. in assets, \$2,240,079; unearned prem., \$7,006,977; loss res., \$2,716,287; liab. res., \$5,697,545; comp. res., \$5,838,995; capital, \$2,500,000; surplus, \$3,259,261; dec. in surplus, \$550,287; contingency res., \$4,876,771. Experience:

	Prem.	Losses
Accident	\$ 318,929	\$ 202,384
Health	91,878	70,431
Auto liability	5,035,123	3,318,500
Other liability	2,083,559	906,021
Workmen's comp. ..	4,394,818	3,568,856
Fidelity	1,071,454	572,479
Surety	716,924	1,253,780
Plate glass	296,918	104,614
Burglary and theft. ..	914,860	322,830
Steam boiler	35,651	.....
Engine and mach. ..	18,303	208
Auto prop. damage. ..	1,543,037	589,248
Auto collision	176,111	77,453
Other P. D. and Coll. ..	81,256	14,229

Total

Fireman's Fund Indem.—Assets, \$5,129,806; inc. in assets, \$469,531; unearned prem., \$1,138,207; loss res., \$112,228; liab. res., \$26,828; comp. res., \$164,920; capital, \$1,000,000; surplus, \$1,980,550; dec. in surplus, \$128,425; contingency res., \$114,624. Experience:

	Prem.	Losses
Accident	\$ 41,852	\$ 15,897
Health	5,178	1,576
Auto liability	801,962	245,996
Other liability	310,559	58,354
Workmen's comp. ..	445,800	208,523
Fidelity	142,320	14,386
Surety	141,625	9,265
Plate glass	55,218	15,878
Burglary and theft. ..	114,854	60,674
Auto prop. damage. ..	236,321	70,260
Auto collision	20,014	6,780
Other P. D. and Coll. ..	10,505	1,659

Total

Occidental Indemnity—Assets, \$2,213,794; inc. in assets, \$16,745; unearned prem., \$431,339; loss res., \$27,788; liab. res., \$363,479; comp. res., \$100,302; capital, \$500,000; surplus, \$500,000; contingency res., \$9,528. Experience:

	Prem.	Losses
Accident	\$ 2,768	\$ 174
Health	14	.....
Auto liability	684,980	324,671
Other liability	83,925	29,214
Workmen's comp. ..	190,813	109,970
Fidelity	39,119	21,841
Surety	12,276	837
Plate glass	16,409	8,454
Burglary and theft. ..	25,926	11,584
Auto prop. damage. ..	31,730	7,311
Auto collision	35	355
Other P. D. and Coll. ..	7,391	2,841

Total

Massachusetts Protective—Assets, \$8,319,093; dec. in assets, \$527,182; unearned prem., \$1,286,008; loss res., \$2,524,328; non-can A. & H. res., \$1,731,483; capital, \$1,000,000; surplus, \$960,468; dec. in surplus, \$588,752; secur. fluc. res., \$527,733. Experience:

	Prem.	Losses
Accident and health. ..	\$ 307,722	\$ 228,210
Non-canc. H. & A.	6,844,329	4,947,890

Total

Hartford Accident—Assets, \$44,556,610; inc. in assets, \$1,298,500; unearned prem., \$11,942,086; loss res., \$3,932,169; liab. res., \$7,191,649; comp. res., \$6,264,977; capital,

\$3,000,000; surplus, \$5,901,146; inc. in surplus, \$1,313,797; secur. fluc. res., \$4,000,000. Experience:

	Prem.	Losses
Accident	\$ 587,126	\$ 345,997
Health	101,177	73,404
Auto liability	8,240,491	4,755,480
Other liability	2,648,465	1,109,965
Workmen's comp.	5,281,212	4,288,435
Fidelity	2,432,972	955,285
Surety	1,852,390	1,352,945
Plate glass	431,181	165,925
Burglary and theft.	1,526,847	638,845
Steam boiler	—730	—
Auto prop. damage.	2,562,962	933,436
Auto collision	342,416	189,700
Other P. D. and Coll.	161,202	41,614
.....	5,897	6,007

Total\$26,173,608 \$14,857,038

State Auto Mut.—Assets, \$2,741,871; dec. in assets, \$103,108; unearned prem., \$965,480; loss res., \$111,290; liab. res., \$550,136; surplus, \$750,000; inc. in surplus, \$50,000. Experience:

	Prem.	Losses
Auto liability	\$1,036,441	\$ 649,168
Other liability	147	—
Fire, auto.	149,033	52,370
Plate glass	7,120	1,760
Burglary & theft.	1,466	—
Theft, auto.	154,810	46,901
Cargo	13,417	4,387
Auto prop. damage.	515,657	155,507
Auto collision	263,975	162,850
Cyclone	8,896	822

Inland Bonding—Assets, \$540,301; dec. in assets, \$99,225; unearned prem., \$31,419; loss res., \$2,390; capital, \$300,000; surplus, \$174,316; dec. in surplus, \$85,683; secur. fluc. res., \$27,361. Experience:

	Prem.	Losses
Surety	\$ 38,027	—

Pacific Mut. Life—Assets, \$193,913,904; inc. in assets, \$3,590,096; unearned prem., \$2,843,868; loss res., \$10,006,441; non-can. A. & H. res., \$3,513,615; capital, \$5,082,000; surplus, \$8,783,462; dec. in surplus, \$862,644. Experience:

	Prem.	Losses
Accident	\$1,515,222	\$ 768,886
Health	730,582	489,684
Non-can. H. & A.	3,764,783	2,822,599

Total\$6,010,588 \$4,081,169

*Accident Department.

Celina Mut. Cas.—Assets, \$467,159; inc. in assets, \$17,839; unearned prem., \$126,871; loss res., \$20,919; liab. res., \$92,114; surplus, \$214,498; inc. in surplus, \$55,116. Experience:

	Prem.	Losses
Auto liability	\$ 128,805	\$ 83,489
Auto fire	13,245	7,596
Auto theft	9,661	5,510
Auto tornado	1,376	335
Cargo	1,122	148
Auto prop. damage.	52,827	25,594
Auto collision	22,072	19,877
Conversion	6	—

Total\$ 229,114 \$ 142,549

Central Cas., O.—Assets, \$182,192; inc. in assets, \$4,888; unearned prem., \$23,705; loss res., \$28,858; surplus, \$122,846; inc. in surplus, \$12,683. Experience:

	Prem.	Losses
Accident and health.	\$ 192,880	\$ 100,279

Business Men's Assur.—Assets, \$9,435,962; inc. in assets, \$784,324; unearned prem., \$590,581; loss res., \$1,760,729; non-can. A. & H. res., \$14,885; capital, \$500,000; surplus, \$528,126; dec. in surplus, \$79,285. Experience:

	Prem.	Losses
Accident	\$1,217,762	\$ 889,383
Health	1,471,463	1,186,092
Non-can. H. & A.	104,148	49,424

Total\$2,793,373 \$2,124,899

Vermont Accident—Assets, \$29,805; inc. in assets, \$336; unearned prem., \$39,104; loss res., \$3,913; capital, \$10,000; surplus, \$11,794; dec. in surplus, \$250. Experience:

	Prem.	Losses
Accident and health.	\$ 39,104	\$ 16,081

Mass. Plate Glass—Assets, \$339,177; dec. in assets, \$2,605; unearned prem., \$34,679; loss res., \$7,500; capital, \$200,000; surplus, \$70,695; dec. in surplus, \$89. Experience:

	Prem.	Losses
Plate glass	\$ 54,501	\$ 22,168

Central West Cas.—Assets, \$3,350,174; dec. in assets, \$82,192; unearned prem., \$1,074,942; loss res., \$188,544; liab. res., \$426,398; comp. res., \$183,719; capital, \$1,000,000; surplus, \$327,002; dec. in surplus, \$82,936; secur. fluc. res., \$143,347. Experience:

	Prem.	Losses
Accident	\$ 13,696	\$ 10,072
Health	16,788	12,878
Auto liability	924,410	577,340
Other liability	247,074	104,808
Workmen's comp.	444,101	309,300
Fidelity	51,181	25,247
Surety	255,771	65,934
Plate glass	67,265	34,265
Burglary and theft.	69,157	22,010
Auto prop. damage.	323,155	123,736
Auto collision	17,932	9,289
Other P. D. and Coll.	13,583	3,884

Total\$2,444,113 \$1,298,763

Inter-State Bus. Men's—Assets, \$599,649; unearned prem., \$82,673; loss res., \$134,464; surplus, \$295,540; dec. in surplus, \$29,364. Experience:

	Prem.	Losses
Accident	\$ 298,802	\$ 183,053
Health	353,355	224,421

Total\$ 652,158 \$ 407,474

United Casualty, Mass.—Assets, \$201,292; dec. in assets, \$21,095; unearned prem., \$24,493; loss res., \$20,717; non-can. A. & H. res., \$3,427; capital, \$100,000; surplus, \$42,005; dec. in surplus, \$24,558; secur. fluc. res., \$6,000. Experience:

	Prem.	Losses
Accident and health.	\$ 180,361	\$ 89,741
Non-can. H. & A.	5,935	3,654

Total\$ 186,296 \$ 93,395

American Casualty, Pa.—Assets, \$3,224,021; dec. in assets, \$239,535; unearned prem., \$677,824; loss res., \$83,376; liab. res., \$867,801; comp. res., \$148,674; capital, \$1,000,000; surplus, \$175,608; dec. in surplus, \$305,716. Experience:

	Prem.	Losses
Accident and health.	\$ 163,372	\$ 80,466
Auto liability	779,382	545,921
Other liability	53,495	53,829
Workmen's comp.	111,945	123,602
Plate glass	52,572	25,988
Burglary and theft.	34,209	24,862
Steam boiler	1,981	750
Auto prop. damage.	270,302	119,581
Auto collision	17,702	9,532
Other P. D. and Coll.	945	3,183

Total\$1,485,908 \$ 987,716

The Mid-West of Indiana, which writes truck fleet business, has again withdrawn from Kentucky. It withdrew about three months ago, reentered early this year, and is now out again.

Will Study Industrial Claims

NEW YORK, Feb. 15.—Governor Lehman has appointed a committee of ten physicians to make recommendations for the correction of reputed racketeering abuses in connection with workmen's compensation insurance cases. The naming of the committee is the result of the report of a committee which studied the general subject some months ago under direction of former Governor Roosevelt. Companies would welcome a thorough and intelligent study of medical and surgical costs in respect to compensation claims, which service has been growingly expensive to the carriers for a number of years and is an important factor in the heavy loss ratio.

Death of Mark Crawley

ST. LOUIS, Feb. 15.—Mark Crawley, 48 years old, vice-president of F. D. Hirschberg & Co., died suddenly at his home Monday.

At the suggestion of Harry Coudrey he took a position with his general agency about 1900 and was with that office for several years. Later he spent several years with the United States Fidelity & Guaranty and for a brief period was with the National Surety. Throughout his insurance career he specialized in surety bonds.

About 20 years ago he joined the Fidelity & Deposit in St. Louis and was assistant manager here until about seven years ago, when he became a vice-president of F. D. Hirschberg & Co. He was vice-president of the St. Louis Surety Underwriters Association.

Ben T. Harrison, formerly assistant manager for the Southern Surety at Dallas and in the casualty and surety department of Trezevant & Cochran of Dallas, is now with Sawtelle, Church & Smith of San Antonio in the surety department.

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CASUALTY PERSONALS

R. Howard Bland, chairman of the board of the United States Fidelity & Guaranty, accompanied by Vice-presidents J. F. Matthai and P. F. Lee, left Baltimore Sunday on an inspection tour which will carry them to the Pacific Coast. Their itinerary includes St. Louis, Kansas City, Los Angeles, San Francisco, where an agency conference will be held; Portland, Ore., Salt Lake City and Denver. The trip will take about a month.

The J. F. Deatrick & Co. agency at Defiance, O., was established in 1857 by the grandfather of the present head of the agency. J. F. Deatrick, the founder, was one of the well known agents in the state. The present J. F. Deatrick has two sons, John F., Jr., 15 years old, and R. W. (Dicky), 8 years old. It is the hope of the present agency head to have these two boys continue this business under the same name as established by their great-grandfather in 1857. "Dicky" Deatrick already has the germ working in him as it was announced that he has organized the "Aviators Insurance Company," selling policies at 5 cents apiece.

President Cyrus L. Garnett of the Motor Vehicle Casualty of Chicago has been laid up at his home in Evanston for a month with illness. He is now on the mend and will soon be out. He suffered a blood clot in his foot which kept him in bed for a month.

H. E. McClellan, vice-president of the Maryland Casualty in San Francisco, was unexpectedly guest of honor at a luncheon of the Casualty Underwriters Association there Feb. 9. His associates, in appreciation of his efforts in their behalf along legislative lines over a period of years, had gathered to pay their respects and to present a handsome suit case. The presentation speech was made by B. G. Wills, vice-president Fireman's Fund Indemnity and president of the association.

F. W. McIntosh, Chicago manager for the Monarch Life, has been elected president of the 1933 Grotto Convention Association, which will have charge of entertaining the International Grotto meeting in Chicago, June 25-29. This is expected to be one of the largest conventions of the year. Mr. McIntosh has long been prominent in Masonic affairs.

J. William Hartley, well known executive special agent for the United States Fidelity & Guaranty attached to the head office at Baltimore, died recently after about six weeks' illness. He was taken to the hospital Christmas day, having



J. WILLIAM HARTLEY

suffered a stroke. He had been with the U. S. F. & G. for many years. For a time he was employed by the Aetna Casualty. He had appeared at many agency meetings and conventions and was one of the principal speakers at the sales congress staged by the Casualty Field Club in Chicago in 1931.

Grayson Fairbank, Richmond, Va., manager of the American Credit Indemnity which was on display the week of Feb. 13.

F. L. Hildebrand, Kansas City general agent of the Abraham Lincoln Life, got together an exhibition of Lincolniana which was on display the week of Feb. 13.

The most important of the exhibits is a hitherto unpublished letter from Lincoln to Gen. J. J. Hardin, dated May 29, 1841, at Springfield, Ill. The letter was contributed by R. W. Greenleaf, North Kansas City, Mo., a policyholder of the company.

Among the other exhibits is a copy of the New York "Herald" of April 15, 1865, carrying the news of the assassination and death of President Lincoln; a copy of the "Royal Messenger," Kansas City, Mo., carrying the same news; one of the two steel engravings extant showing the Lincoln home in Spencer county, Ind., and a Democratic ballot of 1861, carrying the names of S. A. Douglas and H. V. Johnson.

San Francisco A. & H. Club Holds First Sales Congress

(CONTINUED FROM PAGE 30)

policy. A voluntary applicant is looked over with more than usual care by the office underwriter. The salesman must be the aggressor, seeking every opportunity properly to present this form of insurance. He is faced with the same two big problems as in the sale of any other form of insurance—"where to go and what to say." Without a knowledge of one, the other is useless. He then discussed where and how to get prospects, followed by a discussion of "what to say."

Mr. Amos told of the difference between the commercial policy and the industrial or monthly premium form, pointing out that only about 10 per cent of the employed persons in the country carry accident and health insurance. He outlined the steps the agent must take, including laying out his work, the approach, sales talk and the close, giving also three sales talks and the right and wrong methods of approach.

Stephen Chelbay, Commercial and Metropolitan Casualty, gave the closing

address on "The Future and Opportunities of the Accident and Health Business." He declared that the present economic situation offers a distinct advantage to the accident and health man because of numbers of persons who are now struggling along on depleted incomes and are more in need of "income insurance" than ever before. He stressed the opportunity for an entree for other lines of insurance through providing income protection.

The meeting was opened by W. B. Burge, Ocean Accident, president of the club, who outlined the purposes of the congress. Commissioner Mitchell and J. A. Sullivan, president San Francisco Life Underwriters' Association, made short talks.

Workmen's Compensation

Turn Down Industries' Plan

Committee of Oklahoma House Votes
Against Bill—Three Others to
Amend Law Filed

OKLAHOMA CITY, Feb. 15.—The committee on labor and arbitration of the Oklahoma lower house reported "do not pass" on Bill 342, prepared by the Associated Industries to replace the workmen's compensation law which has been in effect since 1915. Immediately three bills were introduced to amend parts of the law. Bill 342 was referred to the insurance committee.

House members were assisted by Judge T. H. Doyle, chairman state industrial commission. Bill 342 would have reorganized the commission into a five-member body, eliminating inspectors now authorized to hold hearings. The three new bills do not disturb the setup of the commission.

Provisions of Bills

They provide that no change in an order of the commission concerning an award shall be made in any case after a period of ten years from the last payment, or ten years after the injury in cases in which no compensation ever has been awarded. The bill rejected had a two-year limit. No jurisdiction of the commission now provided is curtailed.

An employer shall secure compensation to his employees as follows, according to the proposed measures:

1. By insuring and keeping insured the payment of such compensation with any stock corporation or mutual association or by exchanging contracts of indemnity or inter-insurance, under reasonable regulations prescribed by the commission.

Other Methods Permissible

2. By obtaining and keeping in force guaranty insurance with any company authorized to do such business in the state, provided refusal to limit the policy to be written when requested by the assured, to employees engaged in hazardous employment, shall be considered a violation of insurance laws.

3. Subject to approval of the commission, any employer may enter into or continue an agreement with his or their workmen to provide a scheme of compensation and insurance provided by the act, with certain restrictions.

4. By furnishing satisfactory proof of financial ability to pay such compensation for himself, in which case the commission may, in its discretion, require deposit of securities or indemnity bond to secure liability.

Would Abolish State Fund

A bill has been introduced in the South Dakota legislature to abolish the state bonding department and order its liquidation. The department has been writing official bonds for state, county and municipal officers.

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Greatness

Greatness is built on service. Washington, Lincoln and the others who stand out in history reached their magnitudes by serving the people. The Lloyds Insurance Company stands out in the same way because of its unusual service to agents—service that is more than the mere handling of detail—service that comes from the heart and creates profound sense of greatness.

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REINSURANCE

THERE IS A NICE DISTINCTION
BETWEEN

"SOME REINSURANCE"

AND

"ENOUGH REINSURANCE"

IT IS SAID THAT "WE EVENTUALLY
PAY FOR WHAT WE NEED—WHETHER
WE BUY IT OR NOT"

THIS SUGGESTS ANALYSIS OF REINSUR-
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THAT WE MAY BE OF SERVICE TO YOU

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E. G. TRIMBLE, President